The Department of State

bulletin

Vol. XXIII, No. 586

September 25, 1950

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The Department of State bulletin

VOL. XXIII, No. 586 • PUBLICATION 3966

September 25, 1950

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic $6, foreign $8.50
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (July 29, 1949).

UNITED STATES DEVELOPMENTS IN HUMAN RIGHTS DURING 1949 [1]

Significant statutory and administrative developments concerning human rights in the Federal, State, and local governments in the United States during 1949 are herein presented. It should be borne in mind, however, that these 1949 developments can be understood only when viewed against the total background of assurances of human rights in the United States, including the Federal Constitution, its Bill of Rights and subsequent amendments to the guaranties contained in the various State constitutions, and the vast body of pertinent legislation and court decisions.

In this connection, for example, the United States Supreme Court in 1949 continued its traditional role of expanding and interpreting the many human rights guaranties of the Federal Constitution relating to personal liberty and security. In *Lustig* v. *United States*, the Court applied the doctrine that evidence which has been obtained under an illegal search and seizure participated in by a Federal officer will not be admissible in a Federal court, in spite of the fact that the search and seizure was conducted by State officers to whom this principle has not been applicable (*Wolf* v. *Colorado*).[2]

Elsewhere, the Court amplified for the States the application of the "due process" clause of the Fourteenth Amendment of the Federal Constitution to assure their affording basic guaranties of criminal justice. In *Watts* v. *Indiana*, in *Turner* v. *Pennsylvania*, in *Harris* v. *South Carolina*, convictions for murders based on confessions which were obtained while holding the accused persons incommunicado for several days without arraignment and without advice as to the prisoners' constitutional rights, were reversed. In *Gibbs* v. *Burke*, the Court held that the accused in a larceny case had been denied a fair trial because he was not represented by counsel during a trial in which hearsay and other improper evidence had been admitted. It was stated by the Court that the primary duty is on the trial judge to determine the accused's need of counsel at arraignment and during trial and to decide in each case whether the need is so great that deprivation of the right works a fundamental unfairness.[3]

Guaranties in International Agreements

Three international agreements to which the Government of the United States is a party and which entered into force in 1949 contain clauses protecting human rights.[4]

Article XI of the treaty of friendship, commerce, and navigation between the United States and the Italian Republic, which entered into force on July 26, 1949, provides that the nationals of each contracting Government, individually and collectively, shall be permitted full religious freedom when in the territory of the other Government; that their nationals, or corporations and associations, when in the territory of each other, shall be free to write, report, and gather information for dissemination to the public and shall be free to transmit such information abroad as well as to publish it within the territory of each other.

The Occupation Statute for Western Germany defines the powers retained by the three occupying

[1] Ambassador Warren R. Austin, United States representative to the United Nations, announced on September 4 transmittal to the Secretary-General, Trygve Lie, of a report on progress in the field of human rights in 1949 in the United States. The material is for use in the United Nations Human Rights *Yearbook*, which will be available at a later date from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, New York. The *Yearbook* for 1948 is sold for $6.00 a copy.

[2] 338 U.S. 74; 338 U.S. 25.

[3] 338 U.S. 49; 338 U.S. 62; 338 U.S. 68; 337 U.S. 773.

[4] Excerpts from the three acts are included in part II, Documents.

powers, France, the United Kingdom, and the United States, after the establishment of the Federal Republic of Germany. In this document, which entered into force on September 21, 1949, the three Governments declare their intention of seeing that the German people of the three Western zones enjoy the maximum possible self-government. The three Governments also assure to the German people of those zones that the agencies of the occupation will respect the civil rights of every person to be protected against arbitrary arrest, search, or seizure; to be represented by counsel; to be admitted to bail, as circumstances warrant; to communicate with relatives; and to have a fair and prompt trial.[5]

On November 22, 1949, the High Commissioners of the United States, France, and the United Kingdom reached an agreement with the Chancellor of the Federal Republic of Germany which they hope will facilitate the incorporation of Germany "into a peaceful and stable European community of nations." In article V of the protocol of agreements, the German Federal Government affirms its resolve, as a freely elected democratic body—

> . . . to pursue unreservedly the principles of freedom, tolerance, and humanity . . . to conduct its affairs according to those principles . . . to eradicate all traces of Nazism from German life and institutions . . . to liberalize the structure of government and to exclude authoritarianism.[6]

Acts of Congress

The Eighty-first Congress of the United States approved several laws during 1949 that bear upon the social and economic rights now recognized as fundamental.

Housing Act of 1949.—This act, which was approved on July 15, 1949, authorizes the provision of low-cost housing units during the next 6 years; provides for a comprehensive program of Federal research designed to relieve underlying technical, economic, and social housing problems; and authorizes financial assistance to farm owners to enable them to construct, improve, or repair farm housing and other farm buildings. Preference for admission to the low-rent housing authorized by this act is given families, otherwise eligible, who are displaced or are about to be displaced by public slum clearance, redevelopment, or low-rent housing projects, with certain veteran-preference features. The Housing Act of 1949 establishes a national housing policy which reads as follows:

> . . . the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of sub-standard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living and environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation.[7]

Fair Labor Standards Amendments of 1949.—This legislation, which was signed by the President on October 26, 1949, strengthens the Fair Labor Standards Act of 1938 in the following ways: (1) Increases the statutory minimum wage of all workers in interstate commerce as defined by the act; (2) redefines the term "oppressive child labor" to correct an unintentional error in the 1938 act which permitted a parent to employ a child in his custody under 16 years of age in a hazardous occupation while he could not employ the same child over 16 years of age in the same occupation and makes the employment of "oppressive child labor," as redefined, a direct violation of the act; (3) extends coverage to include certain agricultural handling and processing occupations; and (4) permits the administering authorities to supervise the payment of, and under appropriate conditions to bring court action to recover, back wages owed to employees under the terms of the law.[8]

Hospital Survey and Construction Amendments of 1949.—These amendments were approved on October 25, 1949. They continue and increase Federal financial aid to the States for the construction of public and other nonprofit hospitals. The amendments also authorize grants-in-aid to public and private nonprofit agencies for the study of the development, utilization, and coordination of hospital services, facilities, and resources. This provision is particularly significant as experience under the Public Health Service Act of July 1, 1944, had indicated that although a great many small hospitals were being built, they could not provide a complete service nor could they be staffed in such a way as to handle all types of cases and illnesses. It was apparent that these small hospitals needed to be linked with larger hospitals. The grants-in-aid will make it possible to build up

[5] Excerpts from the three acts are included in part II, Documents.

[6] *Ibid.*

[7] 63 Stat. 413.

[8] 63 Stat. 910—1949 and 52 Stat. 1060—1938.

and supplement medical care in rural areas, and will tend to reverse factors which in the past have led to the concentration of medical personnel and facilities in the large cities.[9]

1949 Amendments to the Rural Electrification Act of 1936.—Today the increased use of electricity on farms is an important element in improving the standards of living of both the farm and nonfarm population. Legislation enacted on October 28, 1949, (63 Stat. 948) provides for the expansion of telephone services (1) in rural areas, which include cities and villages of 1,500 population or less; and (2) in areas surrounding towns and cities of more than 1,500 population and their suburban residential areas.[10]

Federal Regulations and Instructions

In the execution of national laws, the various departments and agencies of the executive branch of the Federal Government from time to time issue regulations and instructions. Several directives of this kind were issued during 1949 which strengthen the enjoyment of human rights.

Instructions for Carrying Out the Fair Employment Program.—The President in Executive Order 9980 of July 26, 1948, called for more effective application of the long-established policy of employment in the Federal service on the basis of merit and fitness alone, without regard to race, color, religion, or national origin.[11] Instructions issued by the Fair Employment Board of the United States Civil Service Commission, effective March 24, 1949, require each Government department to appoint officers in both their home and field offices who shall have full operating responsibility for carrying out the President's fair-employment objectives. Under these instructions, each department is required to make known the names of these officers to all its employees.

Amendments to National Capital Parks Regulations.—The National Park Service of the Department of the Interior amended the National Capital Parks Regulations on May 20, 1949 to prohibit the publicizing of the facilities, accommodations, or any activity conducted in the park area of the national capital in such a way as to reflect upon or question the acceptability of any person because of his race, creed, color, or national origin. Operators or any employees of any public facility or accommodation, likewise, are prohibited from discriminating by segregation or otherwise against any person in the furnishing of any accommodation, facility, service, or privilege offered to or enjoyed by the general public in the park areas of the city of Washington.

Amended Housing Credit Regulations.—Amended regulations issued by the Federal Housing Administration on December 12, 1949, add several new sections to the National Housing code. Under these new sections property, the sale or occupancy of which is placed under any racial or religious restriction, is not eligible for new Federal loan guaranties.

Military Directive.—In Executive Order 9981 of July 26, 1948, the President of the United States proclaimed a policy of equality of treatment and opportunity for all persons in the armed service without regard to race, color, religion, or national origin. In furtherance of that policy, the Secretary of Defense on April 6, 1949, directed the three branches of the armed services to examine their practices to determine what steps could and should be taken to eliminate racial discrimination in the services, and to submit in writing their detailed proposals. The Air Force's plan received official approval on May 11, the Navy's plan on June 7, and the Army's plan on September 30, 1949. Under the Army's new program, for example, military occupational specialties, formerly closed to Negroes, are now open to all qualified personnel; Negro quotas for selection to attend Army schools are abolished, with selection now made from the best qualified personnel; promotion is administered on single-standard merit basis; and white and colored students attending Reserve Officers' Training Corps (ROTC) summer training camps remain together and are trained together. Under the old policy, Negro ROTC students attending such camps were placed in Negro units for their training.[12]

State and Territorial Legislation

The legislatures of 44 of the 48 States, as well as those of Alaska, Hawaii, Puerto Rico, and the Virgin Islands, met in regular session in 1949.

[9] 63 Stat. 898—1949 and 58 Stat. 682—1944.

[10] 63 Stat. 948.

[11] United Nations *Yearbook* of Human Rights, 1948, pp. 241–2.

[12] Press releases of the National Military Establishment 3–49A, dated Apr. 20, 1949; 35–49A, dated May 11, 1949; and 78–49A, dated June 7, 1949; and press release 256–49 of the Department of Defense, dated Sept. 30, 1949.

It has not been found practicable to cover every item in the great volume of their legislation that has a bearing upon human rights. Appropriation acts, which are not included in the table, reflect the continuing support given the maintenance of civil rights and such economic and social rights as social security, housing, health, education, and similar activities authorized in legislation of earlier years.

During the year there was considerable controversy regarding the effect of legislation adopted by some State legislatures which applied to teachers and others holding public employment. This legislation related to organizations believed to advocate the overthrow of the Govrernent by force and violence, and in some cases called for special oaths of loyalty to the United States Constitution or of nonmembership in such organizations.

Perhaps the most fundamental State and Territorial legislation, from the point of view of human rights, which was enacted during 1949 concerns the elimination of discrimination on account of race, creed, color, or national origin in the fields of employment, education, and public accommodation, and in State militia. Many laws also were adopted which either materially strengthen existing labor laws, or add new features protecting workers. There were a number of enactments which specifically aim at the protection of women and children. Health laws were broadened, primarily to include additional services, such as psychiatric aid.

Discrimination in Employment.—One of the basic ideals for which the Government of the United States was founded concerns the right of an individual to succeed to the best of his ability.

In *Graham* v. *Brotherhood of Firemen*, the United States Supreme Court reaffirmed a principle already established in the field of collective bargaining in *Steele* v. *L. N. R. Co.*, and in *Tunstall* v. *Brotherhood*, that an exclusive collective bargaining representative for a craft or class of employees has the duty to represent all members who belong to the craft or class of employees without racial discrimination.[13]

In *Lincoln Union* v. *Northwestern Co.*, and *A. F. of L.* v. *American Sash and Door Co.*, the United States Supreme Court held valid state laws guaranteeing a person the opportunity to obtain or retain employment whether he is or is not a member of a labor organization. In an opinion concurring in the results reached in these cases, Mr. Justice Frankfurter noted that article 20, clause 2, of the Universal Declaration of Human Rights, adopted by the United Nations General Assembly, December 11, 1948, declares that, "No one may be compelled to belong to an association." [14]

This ideal has also received considerable impetus in recent years through the passage of what are called "fair-employment practices acts."

Prior to 1949, four States—New York, New Jersey, Massachusetts, and Connecticut—had adopted such acts, with enforcement provisions. Two other States—Indiana and Wisconsin—had laws providing for voluntary compliance. Four new States—New Mexico, Oregon, Rhode Island, and Washington—enacted legislation during 1949 forbidding racial or religious discrimination in employment. Although similar, these laws are not identical in coverage, types of discrimination prohibited, or methods of administration.[15]

New York, New Jersey, Massachusetts, and Connecticut enacted measures in 1949 strengthening the antidiscriminatory laws already on their statute books. New York, for example, passed a law in 1949 forbidding questions on place of birth of applicants for civil service examinations. New Jersey adopted a law combining the provisions of a 1945 antidiscriminatory measure with those of its civil-rights law and placing the administration of both under a single administrative agency, the Commission on Civil Rights.[16]

In addition, California prohibited in 1949 the inclusion of any question relative to an applicant's race or religion in application forms for State employment. Several other States already had such provisions in their laws respecting civil-service employment. Kansas, Nebraska, and Minnesota provided for special commissions to study the problem of discrimination in employment.[17]

Several cities in the United States have enacted

[13] 338 U.S. 232; 323 U.S. 192; 323 U.S. 210.

[14] 335 U.S. 525; 335 U.S. 538; 335 U.S. 538, 539, note 5.

[15] New Mexico 1949, ch. 161 p. 366; Oregon 1949, ch. 221 p. 314; Rhode Island 1949, ch. 2181, p. 157; Washington 1949, ch. 183 p. 506. The Oregon Act repealed a previous law which applied only to public employment.

[16] New York 1949, ch. 384 p. 1053; New Jersey 1949, ch. 11 p. 37; Connecticut 1949, ch. 291 p. 262; the Massachusetts 1949 session laws had not been published in time for citation in this *Yearbook*.

fair-employment-practices acts. One city, Richmond, California, adopted such an ordinance in 1949. It prohibits discrimination on account of race, creed, or color in hiring by the city or by its contract and franchise holders, and carries a fine of $500 or 6 months in jail for violation. The other cities having similar ordinances include Chicago, Minneapolis, Philadelphia, Cincinnati, Milwaukee, and Phoenix, Arizona. The ordinances of three of these cities, Chicago, Minneapolis, and Philadelphia, apply to private as well as to public employment.

Discrimination in Education.—Closely allied to the ideal of equal employment opportunities for all is that of equal educational opportunities. The majority of public schools throughout the United States have always been open to all races without distinction. Laws eliminating discrimination because of race, creed, color, or national origin in education have recently been adopted by several States on which questions have arisen. New York took the lead in this respect by passing a law in 1948 which prohibits racial discrimination in all schools and colleges, private as well as public, except those under religious auspices. Two other States followed the New York example in 1949, but on a less broad basis. The State of Indiana adopted a law abolishing separate schools for white and colored students and progressively eliminating segregation in its public-school system from kindergarten to university.[18] This law becomes fully operative by 1954. A 1949 Wisconsin law prohibits the establishment of separate schools or school departments and forbids the exclusion of any child between the ages of 4 and 20 years from any public school on account of religion, nationality, or color.[19]

The public schools of Oklahoma, like those of Indiana and a number of other States,[20] have been organized and maintained on the principle of providing equal educational opportunities in separate schools for white and colored students. However, in response to a ruling by the United States Supreme Court (*Sipuel* v. *Board of Regents*, 332 U. S. 631) that equal graduate school facilities must be provided to Negro students and in the same full measure as provided for students of any other color, the State of Oklahoma adopted a law on June 9, 1949, admitting qualified Negro students to its institutions of higher learning serving white students, to pursue such courses of instruction as are not given in the institutions established and maintained for the use of Negro students. This act stipulated that the courses of instruction given to Negroes in the white institutions must be either at separate times or in separate classrooms.[21]

Discrimination in Public Accommodation.—Two States approved legislation during 1949 eliminating racial segregation in housing. They were Connecticut and Wisconsin. The new Connecticut law expands the coverage of previous legislation to include public-housing projects as well as hotels, restaurants, railroads and other public transportation, theaters, motion-picture houses, and recreation parks. It carries a fine or imprisonment, or both, for violation of its provisions. Wisconsin also amended previous legislation by providing that no veteran, otherwise eligible, should be discriminated against for admission to veterans' housing projects because of race, color, creed, or national origin. The State of Florida enacted legislation authorizing the authorities of Miami Beach to prohibit the publication or distribution of literature tending to discriminate against or actually discriminating against any person or any religion, race, or creed in places of public accommodation, resort, or amusement in the city of Miami Beach.[22]

In addition to these laws, other developments occurred in the field of housing which have an important bearing on nondiscrimination. In 1948 the Supreme Court of the United States ruled that State and Federal agencies might not enforce racial or religious restrictions on the ownership of real property, thereby removing the support of law from restrictive housing covenants. In December 1949, the United States District Court for the northern district of Alabama held unconstitutional racial zoning ordinances of the city of Birming-

[17] California 1949, ch. 1578 p. 2826; Kansas 1949, ch. 289 p. 523. In the case of Minnesota, such a commission had been appointed in 1947. An appropriation made in 1949 continued the life of that commission for the next 2 years.

[18] Indiana 1949, ch. 186 p. 603; the text of this law will be found in part II, Documents; Wisconsin 1949, ch. 433 p. 403.

[19] See United Nations *Yearbook* on Human Rights, 1949 p. 244.

[20] Arkansas, Florida, Kentucky, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Virginia, Tennessee, Texas.

[21] Oklahoma 1949, table 70, ch. 15 p. 608.

[22] Connecticut 1949, ch. 291 p. 262; Wisconsin 1949, ch. 592 p. 526; Florida 1949, ch. 26026 p. 1455 (2).

ham, barring Negroes from residing in dwellings in certain sections of the city.

In a court decision, affecting segregation in public accommodations, the United States District Court for the eastern district of Virginia held that the 1949 order of the United States Civil Aeronautics Administrator prohibiting racial segregation at the Washington National Airport became the controlling policy at the airport.[23]

Other Housing Legislation.—The legislatures of 32 States, and those of Alaska, Hawaii, Puerto Rico, and the Virgin Islands enacted housing legislation during the calendar year 1949. Most of the legislation amended and enlarged existing laws pertaining to housing authorities, or amended or enacted slum-clearance and redevelopment statutes. The action of the Maine Legislature in enacting the Maine Housing Authorities Act is of particular interest. This act, which is similar to low-rent housing legislation already in effect in other states, provides for the creation of local housing authorities to undertake low-rent housing projects. Thus, Maine became the forty-second State to enact legislation aimed at permitting participation in the federally aided low-rent public-housing program. The legislatures of at least six States—California, Illinois, Massachusetts, New York, Oregon, and Pennsylvania—provided for housing studies and investigations to ascertain, study, and analyze all facts relating to community redevelopment and housing problems, with particular reference to legislation supplementary to Federal enactments. Other subjects covered by 1949 State housing legislation included greater protection against evictions, student housing, housing aids for veterans, provisions for middle-income housing, and the reconstruction or rehabilitation of dwellings by authorized housing cooperatives for their members.[24]

Discrimination in State Militia.—Several States followed the example of the Federal Government (see above) in declaring a policy of equality of opportunity and treatment for all in the armed services by outlawing racial discrimination in their National Guards. California, Connecticut, Illinois, Massachusetts, and Wisconsin, as New Jersey had already done, abolished racial segregation, while New York and Pennsylvania passed laws of a more general tenor. The Pennsylvania law, for example, states that—

> . . . there shall be equality of treatment and opportunity for all persons . . . giving due regard to the powers of the Federal Government which are or may be exercised over all the militia of the Commonwealth and to the time required to effectuate changes without impairing the efficiency or morale of the militia.

Minnesota became the ninth State to abolish racial discrimination in the National Guard. On November 22, 1949, the Governor of Minnesota issued a proclamation establishing "equality of opportunity," without segregation, in the Minnesota National Guard (Executive Order C–19).[25]

Progress in Labor Laws.—Noteworthy advances were made during 1949 in State laws regulating workmen's compensation, unemployment insurance, protection of women workers and children, and disability compensation.

Each of the 44 States whose legislatures met, and Hawaii, improved their workmen's compensation laws in one or more respects, principally by increasing benefits. For example, 37 States and Hawaii increased benefits for death or some type of disability by raising the maximum weekly payment, extending the number of weeks for such payments, increasing the maximum percentage of wages for computing benefits, or increasing the aggregate maximum amount of benefits permitted. Benefits for death and for all types of disability were increased in 25 of the States and Hawaii. Medical-aid benefits were liberalized in 19 States and Hawaii. Two States, New York and Washington, adopted new disability compensation laws. The 1949 developments in this field also indicate a trend toward fuller coverage of occupational diseases.[26]

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[23] *Shelley* v. *Kraemer*, 334 U.S. 1, and *Hurd* v. *Hodge*, 334 U. S. 24; *Monk* v. *Birmingham*, 87 Fed. Supp. 538; *Air Terminal Services* v. *Rentzel*, 81 Fed. Supp. 61.

[24] For example: Alaska 1949, ch. 13 p. 53; Conn. 1949, no. 299 p. 268; Fla. 1949, ch. 25531 p. 1221; Hawaii 1949, Act 379 p. 50; Ill. 1949, no. 672 p. 1550; Maine 1949, ch. 297 p. 243; Md. 1949, ch. 215 p. 579; Minn. 1949, ch. 224 p. 440; Oreg. 1949, ch. 562 p. 907; V. I. 1949, no. 8; Wis. 1949, ch. 390 p. 354.

[25] Calif. 1949, ch. 1578 p. 2826; Conn. 1949 no. 8 p. 14; Fla. 1949, ch. 26026 p. 1455 (2); Ill. 1949, no. 1130 p. 1587; Ind. 1949, ch. 186 p. 603; Kans. 1949, ch. 289 p. 583; N. J. 1949, ch. 1 p. 37; N. Mex. 1949, ch. 161 p. 366; N. Y. 1949 ch. 384 p. 1053; Okla. 1949, table 70, ch. 15 p. 608; Oreg. 1949, ch. 221 p. 314; Pa. 1949, ch. 568 p. 1903; R. I. 1949, ch. 2181 p. 157; S. Dak. 1949, ch. 244 p. 280; Wash. 1949, ch. 183 p. 506; Wis. 1949, ch. 76 p. 104.

[26] For example: Ala. 1949, no. 36 p. 47; Calif. 1949, ch. 107 p. 346; Colo. 1949, ch. 185 p. 522; Del. 1949, ch. 160 p. 385; Hawaii 1949, Acts 110 and 112 p. 15; Idaho 1949, ch. 287 p. 590; Iowa 1949, ch. 60–61 p. 83; N. Mex. 1949, ch. 84 p. 201; N. Y. 1949, ch. 600 p. 1370; N. C. 1949, ch. 399 p. 396; Oreg. 1949, ch. 103 p. 127; P. R. 1949, no. 311 p. 940; R. I. 1949, ch. 2269 p. 369; S. C. 1949, no. 302 p. 564; S. Dak. 1949, ch. 443 p. 417; Tex. 1949, ch. 428 p. 797; Wash. 1949, ch. 235 p. 876; Wis. 1949, ch. 142 p. 150.

Statutory minimum wages for all workers were increased in two States, Massachusetts and New Hampshire, and in the Territory of the Virgin Islands.

The outstanding trends in unemployment insurance were laws increasing benefit amounts and decreasing employers' contribution rates. Two States, Texas and Massachusetts, extended the coverage to include respectively governmental workers and maritime workers.[27]

Protective legislation for working women and children included the following: Maine, Tennessee, and Alaska adopted new child-labor laws. Under these laws, a basic minimum age of 16 years, for full-time employment, is established, thus making in all 22 States, in addition to Alaska and Puerto Rico, having this standard. All three of the new acts also improve maximum-hours-of-work standards, Tennessee and Alaska setting an 8-hour day, 40-hour week, 5-day week for minors under 18 years of age, while Maine established an 8-hour day, 48-hour week, 6-day week for minors under 16 years of age. These acts provide in addition that special hour regulations shall now apply to employed children under 16 years of age who are attending school as well as working. The Tennessee and Alaska laws prohibit night work for minors under 16. The Maine law eliminates a former night-work prohibition for minors under 16. Three other States—Indiana, Ohio, and Wisconsin—passed laws in 1949 modifying previous child-labor standards. The Indiana law permits girls of 16 to 17 years of age to work until 9 p.m. instead of formerly to 7 p.m. on 2 evenings a week in stores under vocational-education programs. The Ohio and Wisconsin laws revise former minimum-age standards regulating the employment of minors in certain public exhibitions.[28]

Laws specifically protecting the rights of women workers were of two kinds. Three States—California, Connecticut, and Maine—and the Territory of Alaska, enacted legislation requiring the payment of equal wages to women for comparable work, thereby making 13 jurisdictions having laws abolishing discrimination in wages because of sex. Three States improved the working hours of women. Wider coverage is provided for the restrictions on hours of work for women under Maine law. In Wyoming, female employees in certain occupations requiring continuous standing are given two rest periods of 15 minutes each day. A Tennessee law establishes a maximum 50-hour week for women workers.[29]

Compulsory School Attendance.—Four States made major changes in their compulsory-school-attendance provisions, namely, Idaho, Michigan, Oklahoma, and Wisconsin. The Idaho law lowers the upper age from 18 to 16 years for required school attendance, but strengthens existing law by eliminating the exceptions under which minors under 16 years of age were formerly excused from school attendance. Under the 1949 law, only children physically or mentally incapacitated may be excused. The Wisconsin law also eliminates the exceptions for children under 16, now permitting only high school graduates to leave school under that age. Michigan eliminated a provision under which formerly children of 14 and 15, whose services were needed for the support of their family or for themselves, might be excused from school to go to work. Under the new Oklahoma law, provision is made that unless minors between the ages of 7 and 18 years are high school graduates, they are required to attend school. The previous provision permitted children of 16 and 17 to be excused from school for employment, if they had completed the first 8 grades of school.

A number of states established new minimum school terms. Georgia and South Dakota extended their school terms to 9 months; North Dakota and Nebraska to 8 months; Delaware from 160 days to 180 days. The North Carolina Legislature repealed previous legislation under which the public schools of Currituck County might be closed in order to allow pupils to pick cotton.[30]

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[27] For example, see also: Alaska 1949, ch. 13 p. 53; Ariz. 1949 ch. 80 p. 158; Ark. 1949, Act 155 p. 493; Colo. 1949, ch. 245 p. 720; Conn. 1949, no. 307 p. 290; Del. 1949, ch. 160 p. 285; Idaho 1949, ch. 144 p. 252; Ill. 1949, no. 1105 p. 887; Kans. 1949, ch. 288 p. 295; Maine 1949, ch. 430 p. 518; P. R. 1949, no. 50 p. 126; R. I. 1949, ch. 2175 p. 38.

[28] For example: Alaska 1949, ch. 73 p. 189; Ariz. 1949, ch. 74 p. 152; Calif. 1949, ch. 127 p. 359; Colo. 1949, ch. 112 p. 230; Ill. 1949, no. 1061 p. 905; Maine 1949, ch. 290 p. 231; Minn. 1949, ch. 545 p. 950; Pa. 1949, no. 224 p. 847; P. R. 1949, no. 304 p. 1,114; Tenn. 1949, ch. 201 p. 689.

[29] Alaska 1949, ch. 29 p. 80; Calif. 1949, ch. 804 p. 1541; Conn. 1949, no. 287 p. 261; Maine 1949, ch. 262 p. 207; Tenn. 1949, ch. 200 p. 687; Wyo. 1949, ch. 126 p. 206.

[30] For example: Alaska 1949, ch. 32 p. 86; Ark. 1949, Act 67 p. 170; Act 131 p. 285; Act 315 p. 903; Colo. 1949, ch. 153, p. 362; Conn. 1949, no. 271 p. 246; Del. 1949, ch. 76 p. 125; Ga. 1949, no. 333 p. 1406; Hawaii 1949, Act 227 p. 30; Idaho 1949, ch. 120 p. 214; Ind. 1949, ch. 238 p. 789; Maine 1949, ch. 276 p. 214; Mich. 1949, no. 315 p. 666; Minn. 1949, ch. 675, p. 1209; N. H. 1949, ch. 92 p. 81; N. C. 1949, ch. 154 p. 129; N. Dak. 1949, ch. 65 p. 67; ch. 143 p. 166; Okla. 1949, table 70 ch. 1A p. 517; Pa. 1949, no. 280 p. 978; P. R. 1949, no. 55 p. 140; R. I. 1949, ch. 2341 p. 550; Tex. 1949, ch. 334 p. 625; Wis. 1949 ch. 96 p. 122.

Voting.—Two acts relating to voting by employees were adopted during 1949. A Nebraska law permits employees to be absent for 2 hours to vote in any election, instead of only in primary elections. An Arkansas act makes it a misdemeanor to attempt to influence the vote of an employee by discharge or threat of discharge from employment. The State of Tennessee, one of the seven States requiring the payment of a poll tax for voting, enacted legislation in 1949 (1) exempting women and blind persons from the payment of the poll tax; (2) abolishing payment of it as a prerequisite for voting in primary elections for certain political nominations; and (3) limiting the time for the collection of delinquent poll taxes. South Carolina moved in 1949 to submit the issue of a poll tax as a requirement for voting to a general election to be held in 1950 (J. R. No. 347). Similar moves on the part of the legislatures of Texas and Virginia were defeated in the November 1949 elections in those States.[31]

Resolutions Adopted at Sixth Session of Commission on Human Rights

From U.N. doc. E/1826
Adopted Aug. 9, 1950

The Economic and Social Council,

Notes that the Commission on Human Rights considers that the draft international Covenant on Human Rights relating to some of the fundamental rights of the individual and to certain essential civil freedoms is the first of the series of covenants and measures to be adopted in order to cover the whole of the Universal Declaration of Human Rights;

Notes, further, the decision of the Commission to proceed at its seventh session with the consideration of additional covenants and measures dealing with economic, social, cultural, political and other categories of human rights, and to consider additional proposed articles included in Annex III to its report of the sixth session, together with any other articles which might be further proposed by Governments; and

Approves the decision of the Commission.

The Economic and Social Council,

CONSIDERING that the Commission on Human Rights, at its sixth session, resolved to begin at once the preparation of the execution of its work programme for the year 1951, with a view to assuring to everyone the enjoyment of economic, social and cultural rights set forth in articles 22 to 27 of the Universal Declaration of Human Rights,

HAVING NOTED with interest the report submitted by the Director-General of the United Nations Educational, Scientific and Cultural Organization on regulations concerning economic and social rights in the International Covenant on Human Rights (E/1752 and E/1752/Corr. 1),

Requests the Secretary-General:

(a) To transmit to the International Labour Organisation the proposals for relevant articles on economic and social rights contained in Annex III to the report of the sixth session of the Commission on Human Rights, together with the summary records of the debates in the Commission concerning the inclusion of economic and social rights in the draft covenant or covenants on human rights,[1] so that the said specialized agency may submit to the Secretary-General, before the seventh session of the Commission on Human Rights, a detailed report on what has already been achieved in these fields, what still remains to be achieved and how it might be accomplished,

(b) To make the necessary arrangements for obtaining any collaboration he may think desirable from the other organs of the United Nations and the other specialized agencies; and

(c) To submit to the Commission on Human Rights, before its seventh session to be held in 1951, a report on the information and observations thus obtained, together with any documentation he may consider relevant.

The Economic and Social Council,

CONSIDERING the need for thorough and precise information relating to the prevention of discrimination and the protection of minorities,

Requests the Secretary-General:

(a) To invite Governments, Members and non-members of the United Nations,

(i) To furnish him, as soon as practicable, examples (with appropriate citations, where possible) of legislation, judicial decisions, and other types of action which have

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[31] For example: Ark. 1949, Act 2482 p. 1350; Calif. 1949, ch. 153 p. 383; Del. 1949, ch. 132 p. 202; Nebr. 1949, ch. 86 p. 231; Tenn. 1949, ch. 62 p. 215; ch. 236 p. 790 Act 164 p. 491; ch. 271 p. 884.

[1] See U.N. docs. E/CN. 4/SR. 184–187.

been found to be especially useful in that country in preventing discrimination in one or more of the fields covered by the Universal Declaration of Human Rights;

(ii) To furnish him, as soon as practicable, full information regarding the protection of any minority within their jurisdiction by legislative measures and in the light of the Universal Declaration of Human Rights; and

(iii) To furnish him, in particular, such information as could serve as a basis for defining the term "minorities";

(b) To distribute the information received from Governments in response to this invitation to the members of the Sub-Commission on the Prevention of Discrimination and Protection of Minorities prior to its fourth session.

The Economic and Social Council

BELIEVING that education plays a great part in the prevention of discrimination, and that positive and lasting results in preventing discrimination are attainable in educational establishments,

AFFIRMING its conviction that one of the principal goals of education should be to eliminate all forms of discrimination and to eradicate such prejudices as may lead to the commission of acts of discrimination,

EMPHASIZING that considerable assistance in this matter may be given by non-governmental organizations and private institutions,

NOTING with satisfaction the initiative taken in this field by the United Nations Educational, Scientific and Cultural Organization in the improvement of textbooks and teaching materials, in the conduct of educational seminars, in the training of teaching personnel, and in the preparation of a statement on race from the viewpoint of present scientific knowledge,

Recommends that Member States:

(a) Adopt measures to be applied in educational establishments designed to eliminate discrimination;

(b) Distribute the books and pamphlets referred to in sub-paragraph (b) below as widely as possible among all their peoples; and

(c) Introduce, in so far as possible, the ideas contained in the books or pamphlets referred to in sub-paragraph (b) below into their education programmes;

Recommends that the United Nations Educational, Scientific and Cultural Organization:

(a) Give emphasis to such practical educational activities as are likely to eradicate prejudice and discrimination, bearing in mind the opportunities afforded through adult education;

(b) Undertake, as soon as practicable, preparation and widest possible dissemination of information through suitable books and pamphlets based on scientific knowledge as well as general moral principles contained in the Charter of the United Nations and the Universal Declaration of Human Rights and designed to expose fallacies of race theories and to combat prejudices which give rise to discrimination.

The Economic and Social Council,

HAVING REQUESTED the Secretary-General, in its resolution 2/9 (Section 4, paragraph (a)) of 21 June 1946[1] to make arrangements for the compilation and publication of a Yearbook on Law and Usage relating to Human Rights,

HAVING CONSIDERED the reports of the fifth and sixth sessions of the Commission on Human Rights relating to the question of the Yearbook;

HAVING CONSIDERED the Yearbooks on Human Rights for 1946, 1947 and 1948 compiled and published by the Secretary-General;

Requests the Secretary-General to continue annually the compilation and publication of the Yearbook on Human Rights which, beginning as soon as possible but not later than with the Yearbook for 1951, shall be compiled on the following general lines:

(a) Each volume of the Yearbook shall contain a compilation concerning the application, and so far as necessary, the evolution in as many countries as possible of one of the rights or of a group of closely related rights set forth in the Universal Declaration of Human Rights. This compilation shall be prepared from information supplied by Governments and may include digests of this information prepared by the Secretary-General and shall be documented by reference to legislative enactments and other authoritative sources;

(b) For this purpose, the Secretary-General shall draw up a plan for the consideration of the Commission on Human Rights indicating, for a number of years ahead, which right or group of rights should be treated in each year;

(c) The Yearbook shall continue to record international and national developments concerning human rights which have taken place during the year, and for this purpose shall contain:

(i) A report on the work of the United Nations in the field of human rights;

(ii) Relevant texts or summaries of international instruments in this field, including decisions of international courts and arbitral tribunals;

(iii) Texts or summaries of or sufficient references to constitutional and statutory provisions which constitute important developments in the field of human rights during the year;

(iv) Summaries of or sufficient references to decisions of national courts where these decisions constitute important developments in the field of human rights;

(d) The Yearbook shall also include texts or summaries of, or sufficient references to, basic laws on human rights in respect of Non-Self-Governing and Trust Territories, together with other relevant texts in respect of such territories in the same manner as indicated in paragraph (c) above;

(e) The Yearbook shall include adequate references to the sources of any texts or summaries which appear in it. It shall be produced in a form which is easy to handle and at a moderate price, and the reproduction of constitutional or statutory texts shall be confined within the limits imposed by these requirements;

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[1] See Official Records of the Economic and Social Council, 1st yr., 2d sess., p. 401.

Invites Governments to supply to the Secretary-General, either directly or through correspondents appointed for this purpose at the request of the Commission on Human Rights, relevant information on the points noted above.

The Economic and Social Council,

(1) HAVING CONSIDERED in its broad aspects the draft Covenant on Human Rights submitted by the Commission on Human Rights in accordance with General Assembly resolution 217 (III),

(2) HAVING NOTED the valuable work done by the Commission with a view to submitting a draft Covenant to the General Assembly,

(3) HAVING NOTED with satisfaction that the draft Covenant includes articles relating to implementation,

(4) THANKING the Commission for the contribution it has already made towards the accomplishment of a task of great importance,

(5) HAVING GIVEN consideration to the questions of (a) the general adequacy of the first eighteen articles; (b) the desirability of including special articles on the application of the Covenant to federal States and to Non-Self-Governing and Trust Territories; (c) the desirability of including articles on economic, social and cultural rights; and (d) the adequacy of the articles relating to implementation,

(6) CONCLUDING that further progress on the Covenant cannot be made without basic policy decisions on the above matters being taken by the General Assembly,

(7) *Transmits* the draft Covenant on Human Rights together with relevant documentation and records of the discussion in the Council, to the General Assembly at its fifth session for consideration with a view to reaching policy decisions on the points mentioned in paragraph (5) above;

(8) *Requests* the Commission on Human Rights to consider the draft Covenant further, bearing in mind the policy decisions of the General Assembly and the views expressed in the Council at its eleventh session, and to submit a revised draft Covenant to the Council at its thirteenth session;

(9) *Requests* the Secretary-General to transmit this resolution, together with the records of the debate at the eleventh session of the Council, to Member States with a view to obtaining their observations after the Fifth Session of the General Assembly to be forwarded to the Commission on Human Rights.

Korean Relief Assistance Fund Established

U.N. doc. ST/AFS/SGB/90
Dated Sept. 8, 1950

The Secretary-General sent the members of the Staff of the United Nations the following bulletin:

In accordance with the provisions of Provisional Financial Regulation 35, and pursuant to the Security Council resolution of 31 July 1950 and the resolution of the Economic and Social Council of 14 August concerning Korean relief, there is established hereby a United Nations Korean Relief Assistance Fund.

The Purpose of the Fund

The Korean Relief Assistance Fund is established for the purpose of granting assistance to the people of Korea in accordance with the resolution concerning Korean relief adopted by the Security Council on 31 July 1950 and the resolution of the Economic and Social Council of 14 August. The Fund will be credited with all contributions of monies and all other income in cash received by the United Nations for the purpose for which the Fund is established.

Administration of the Fund

Details of the administration of the Fund will be issued at a later date. For the time being, the following procedure is established for dealing with offers of assistance, receipts of contributions, and expenditures and transfers of funds.

1. OFFERS OF ASSISTANCE

All offers of assistance for Korean relief received by the United Nations will be referred to the Executive Office of the Secretary-General. The Secretary-General will communicate such offers to the Unified Command.

2. RECEIPT OF CONTRIBUTIONS IN CASH

Cash contributions shall be deposited in an appropriate bank account opened by the Secretary-General in accordance with normal United Nations practices. An official receipt will be issued for all cash contributions received. Pending further arrangements, receipt may be officially acknowledged only by officers of the Bureau of Finance who have been designated to sign official receipts for monies received for other purposes.

3. PAYMENTS FROM THE FUND

Cash will be paid from the Fund as ordered by the Secretary-General after consultation with the Unified Command. The Director of Finance will effect such payments upon written orders of the officer designated for the purpose by the Secretary-General.

Republic of Indonesia Established

The former Republic of the United States of Indonesia has been transformed into a single, unitarian state and from August 17, 1950, will be known as the Republic of Indonesia.

Letters of Credence

Iran

The newly appointed Ambassador of Iran, Nasrollah Entezam, presented his credentials to the President on September 15. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 950 of September 15.

Progress on Point 4

by Capus M. Waynick, Acting Administrator
Office for Technical Cooperation and Development[1]

Recently members of the American Armed Forces fighting in Korea employed for the first time a new rocket which they promptly nicknamed "Tiny Tim" because it packs tremendous power in relation to its size. A new enterprise in foreign affairs may be compared with that rocket because it too is intended to have an impact out of all proportion to its size.

This enterprise is the Point 4 Program through which we and other free countries will offer our knowledge and skills to help other peoples achieve better living conditions for themselves. Point 4 will cost us 34½ million dollars this first year. That is less than one-tenth of one percent of the 36 billion dollar omnibus appropriation bill which President Truman signed last week. Yet, this relatively small amount of money will set in motion a great cooperative movement in which many nations will contribute their skills and resources to a joint effort to make the world a better habitation for its people.

At a time when we are having to spend billions to rebuild our military defenses and when American troops are fighting under the banner of the United Nations to put down aggression in Korea, it may be asked why we should concern ourselves with the way other people live in faraway places. The answer is basically very simple.

Need for Point 4

We and other free people of the world have been forced, whether we like it or not, to meet Communist aggression wherever it is applied throughout the world. In some places, this aggression takes the form of armed invasion. But in other places, it takes the form of trading on the natural desires of an oppressed people for a better life. We must meet that by helping those people to attain a better life by peaceful and democratic ways instead of by the false hope of Communist ways. That better life must be accomplished in part through the Point 4 Program.

If we can show these peoples what we really stand for, what our true motives are—if we can prove to them that the methods and institutions of a free society provide the environment that liberates man's spirit and brings his talents to full flower—then we can hope they will turn away from the false promises of communism. To do this will require more than words—though words as well as deeds are important. Point 4 can become a tangible, living expression of American democracy and what it can mean in the daily lives of other peoples.

This program must be our answer to a people's aspiration for a better life. They must see with their own eyes and experience in their own lives what democracy can do for them and their families.

Point 4 is the long-range answer to communism. It looks beyond the present struggle to the continuing task of creating peace and prosperity for the people who want both. It is this affirmative, constructive value of Point 4 that has given new hope and courage to people in many parts of the world.

The potentialities of such a development can be glimpsed by recalling something of the history of our own country. We are all aware of the great part played in the development of our country by the millions of immigrants who crossed the Atlantic in successive waves. We cannot overlook the fact that these people brought with them more than the manpower that cleared and cultivated the land, and built the railroads, the ports, the cities, and industries of America.

They brought with them their skills and techniques, which also became invaluable contributions to the building of a new society. And despite the traditional picture of the penniless immigrant who crossed the Atlantic in a crowded hold, many of

[1] An address made before the Chamber of Commerce, Cedar Rapids, Iowa, on Sept. 14, 1950, and released to the press on the same date.

them brought some capital, which they put to work creating new industries, new products, new opportunities.

From the well-to-do who stayed in Europe came more capital for investment in the New World. Until after the outbreak of World War I, the United States was a net importer of capital. It was the manpower, the skills and craftsmanship, and the capital that flowed to the United States from Europe, as well as the abundant natural resources and the environment of opportunity, that helped make our country great.

Today, the United States stands in the same general relationship to the underdeveloped and aspiring countries of the world as nineteenth century Europe stood to our country when it was young. There are important differences between opening up a new, sparsely inhabited continent and sparking a rebirth of hope and activity in countries some of which are far older than our own. Yet, the parallel is close enough to open our eyes to the immense possibilities inherent in the challenge of the underdeveloped areas.

Problems in Underdeveloped Countries

In many of these countries, the problem is not to open up physical frontiers but to help people break out of the vicious circle in which they are imprisoned. They are sick and hungry and miserable because they are desperately poor; they are poor because they produce too little food and too few goods; they produce too little because they are undernourished, and sickly, and illiterate, and because they lack "know-how" and capital.

How can this self-defeating circle be broken? President Truman gave the answer in his inaugural address:

> Greater production is the key to prosperity and peace. And the key to greater production is a wider and more vigorous application of modern scientific and technical knowledge.

This is the key which the Point 4 Program offers to these people.

Even with such help, the peoples of the underdeveloped areas cannot pull themselves up to higher standards of living overnight. This is a long-range undertaking. But this should not discourage us; our own high standard of living was not achieved overnight either. Because the need is so great and because economic development takes time, the sooner we start, the better.

Program Benefits to U.S.

Some people ask, "What do we get out of it?" Aside from sound humanitarian and political reasons for undertaking the Point 4 Program, we also stand to gain much in a material sense. If there ever was a case of casting our bread upon the water and having it return to us, this is it.

We are a trading nation, doing the largest export-import business in the world. Every sizable increase in purchasing power in other countries is a boost to American business. Before the war, we sold the other developed countries $5.80 worth of goods per person every year. We sold the underdeveloped countries only 70¢ worth of goods per person. Canada, with only 12 million people, bought nearly as much from the United States as the 120 million people in the Latin American countries did. The answer is purchasing power, which comes from productivity, the real basis of all wealth.

It does not take much imagination to see what even a moderate rise in the purchasing power of the vast underdeveloped areas could mean to us. In 1939, the per capita income of the 70 million people of Indonesia was equivalent to 22 dollars in our money. That gave the whole nation of Indonesia an aggregate income of about a billion and a half dollars a year. In that same period, the per capita income of Bulgaria, one of the poorer European countries, was equivalent to 109 dollars a year.

If the standard of living of the Indonesians had been raised—not to the same level as that of the United States, or Great Britain, or Canada but just high enough on the scale to equal Bulgaria—this would have multiplied the national income of the Indonesians 5 times and given them 7½ billion dollars to spend annually instead of a billion and a half. This is only one example of what higher standards of living can mean in purchasing power and, consequently, in world trade.

Some people ask if, in helping other peoples develop their economies, we are not creating competition that will ruin our own producers. I think we can dispose of that fear by turning the question around. Would we be better or worse off if the highly industralized countries, such as Canada and Great Britain, which make the same things we do, suddenly ceased being industralized countries and dropped to the economic level of the underdeveloped areas? All the records show that the highly developed countries, with plenty of purchasing power, are the best customers and, except when democracy fails, the best neighbors. The faster the underdeveloped areas can be developed, the more real wealth will be produced to enter into world trade and the more money other people will have to spend at the market place.

This is what I mean when I say that technical skills and capital, accumulated through the genius and industry of many peoples, if applied in the underdeveloped countries in partnership with their people, can stimulate the greatest increase in production and trade in world history. The opportunities are there, and the techniques for doing the job are already at hand.

Our own Government has learned much about these techniques during the last 10 years, during which time we have been carrying on technical assistance projects on a limited scale, mainly in Latin America. This trial period has proved that technical assistance is effective, is inexpensive, and brings benefits to us as well as the people we aid.

Technical Assistance and Its Operation

Technical assistance is a rather abstract name for a very practical commonplace thing. It means teaching people how to do things they did not know how to do before. It is the age-old process of education—of transferring knowledge and skill from one person to another—in this case, specific kinds of knowledge and skills that make for better living, and with the added difference and difficulty that the transfer takes place among people of many different nationalities.

Iowa is a great agricultural State, and I imagine that the State agricultural experiment stations and the State extension service are among the busiest and best-known institutions. The county agent takes the knowledge of the latest methods worked out at the experiment station to the farmer on the land and helps him apply this scientific knowledge in his own operations. The county agent is giving the farmer technical assistance. The result is shown in our abundant food supply.

This is the basic principle of Point 4, which can be applied in a great number of ways. The teaching of better agricultural methods is one of the most important, because although more than three-fourths of the people in underdeveloped countries live on the land, they do not produce enough food to feed themselves adequately.

Under Point 4, we will send American agricultural technicians abroad to demonstrate improved farming methods—which often must be modified to meet local conditions. We will send public health doctors and nurses and sanitary engineers to show the people how to practice elementary health habits, combat controllable diseases such as malaria, and install safe water supply and sewerage systems. We will send American educators to help the teachers of other countries organize better methods of overcoming illiteracy, which reaches the appalling rate of 90 percent in some countries. We will continue to bring intelligent, ambitious people from those countries to the United States for technical training.

This is what we are talking about when we speak of technical assistance—except that these are cold and abstract terms, when we are really dealing with the stuff of life itself. What we are really talking about is birth and death, hunger and food, sickness and health. We are talking about the basic human needs and desires that are the same all over the world. We are talking about how to make life better, easier, happier. Since this is what Point 4 means, how can it help but establish a common bond among the peoples who work together in this way?

Point 4 is made up of two interrelated parts—technical assistance and capital investment.

EXPENDITURE OF FUNDS

The technical assistance program has now been authorized by Congress, which appropriated 34½ million dollars for that purpose. Of that amount, we will contribute 12 million dollars to the technical assistance program of the United Nations. Forty-nine other countries together have contributed another 8 million dollars, making a 20 million-dollar program to be carried on by the United Nations and the specialized agencies.

One million dollars will be contributed to cooperative programs planned by the Organization of American States and regional bodies such as the Caribbean Commission and the South Pacific Commission. The Department of Commerce will use 400 thousand dollars to provide detailed information on investment opportunities to American businessmen.

Of the remainder, 6.6 million dollars will be used to continue and expand technical assistance projects already being carried on by United States Government agencies in other countries, principally in Latin America. This leaves 14½ million dollars to initiate new projects and administer the whole program.

Technical assistance is not only one of the least expensive and most effective ways of helping other peoples help themselves but also every dollar we put into this program will be increased by another dollar and a half contributed by other countries. Technical assistance will be provided by the United Nations, other international organizations and by the United States directly only to those countries requesting such aid. Each recipient country will pay part of the cost, usually in her own currency and for local labor and materials. Through the pooling of these contributions for cooperative projects, total expenditures for the technical assistance program from all sources are expected by next July 1 to be running at the annual rate of 85 million dollars.

Now that our appropriation is in hand, we have sent telegrams to the United States Embassy in every country likely to desire technical assistance from this Government. Our Ambassadors are being authorized to receive requests for specific technical assistance projects from the governments to which they are accredited, to discuss these projects with the officials of the other governments, and to forward these requests to Washington.

HANDLING REQUESTS FOR AID

When the requests are received by the State Department, they will be carefully studied from every standpoint. We will determine whether a specific proposal conforms to the purposes of Point 4, and whether the country involved can make good use of the kind of assistance requested. We will see whether the proposed project duplicates or conflicts with one being planned by the United Nations or some other international agency.

When we decide that a request for a project should be granted, we will negotiate an agreement specifying the responsibilities assumed by each

government and the proportion of the costs to be paid by each. When the agreement is approved, money for the project will be made available from the Point 4 appropriation and the appropriate agency of the United States Government will assign technicians to go to the other country and do the job.

Persons selected for these assignments abroad, whether already in Government service or recruited from outside the Government, will be chosen not only for professional competency but also for their character, personality, and ability to work with the people of other countries and to represent the United States abroad. Before they leave this country, they will be given special orientation and training courses at Washington to fit them for their specific assignments.

When they arrive at their post abroad, they will report to the American Embassy, get together with the people of the other country with whom they are to work, and proceed to carry out the project. They will be responsible to the American Ambassador or Minister while at their post and will receive technical guidance and backstopping from the agency at Washington which sent them out to the field. They will make periodic reports on the progress of their work and the results accomplished.

Even before the appropriation was finally approved, we had received requests for technical assistance on about 60 projects. These came from governments which were already receiving technical assistance from us, or which "jumped the gun" and did not wait for formalities.

We can now promptly approve the continuation of a number of existing projects and expect soon to be able to approve new projects at a gradually increasing rate. American technicians are leaving the country every few days to carry on existing projects, and this number will soon be greatly increased.

With the funds made available by Congress for Point 4, we should be able to send more than 1,000 American technicians abroad during this first year on technical assistance missions. We also expect to bring more than 1,000 people from other countries to the United States for technical training. The Government also will contract with private American business firms to carry out in other countries technical assistance operations for which they are specially qualified and to share in the training in this country of technicians from abroad.

Capital Investment

But something more than technical assistance is often needed to reach the desired goal, and that "something more" is the investment of capital. In some cases, capital for economic development projects may justifiably be provided by government institutions, such as the Export-Import Bank of Washington and the World Bank. But President Truman has made it clear that the bulk of the capital needed for investment in the underdeveloped areas is to come from private sources.

The fact is that conditions in many underdeveloped areas are not favorable to private investment at this time. Some of these adverse conditions can be corrected in time by the use of technical assistance. Our own experience 50 years ago in Cuba, Panama, and the Philippines showed that after health and sanitation conditions had been cleaned up, and economic and social conditions improved, private capital came in and created new enterprises, new jobs, and new opportunities. One of the great values of technical assistance is that it helps create the environment conducive to the increased flow of investment capital.

But there are governmental as well as natural barriers to the investment of capital in some underdeveloped countries. Some governments impose stringent and onerous restrictions on foreign capital which discourage investment. Exchange difficulties create additional problems.

The State Department is working in various ways to reduce the factors which discourage greater American investment abroad. We are negotiating new commercial treaties with a number of countries which contain provisions designed to insure fair treatment both for American investors and the countries where they make their investments.

But this is at best a slow process. As a means of quickening the flow of American capital abroad, the administration has recommended that as part of the Point 4 Program the Export-Import Bank be authorized to make limited guaranties against extraordinary risks to which foreign investments are subject. It is proposed that, for a fee, the bank guarantee investments abroad against expropriation without adequate compensation and against inability to convert investments and profits from other currencies back into dollars. Such investments would not be guaranteed against ordinary business risks.

Our Government is breaking new ground in proposing such guaranties, and it will move cautiously in seeking a formula that will prove satisfactory both to the American investor and to foreign governments. We want to ensure the American investor adequate protection and fair treatment, but we also must avoid demanding special privileges for Americans investing abroad.

We hope that Congress will approve satisfactory legislation that will permit our Government to go ahead with limited guaranties of foreign investments. When capital investment is coupled with technical assistance in a well rounded Point 4 Program, we will have an instrument of foreign policy that will not only serve the national interest of the United States but will serve humanity in the building of a better world.

Methods of Financing Economic Development of Underdeveloped Countries

U.N. doc. E/1843
Adopted Aug. 12, 1950

The Economic and Social Council,

TAKING NOTE of the report of the fourth session of the Sub-Commission on Economic Development (E/CN.1/80), the Experts' Report on National and International Measures for Full Employment (E/1584), the report of the fourth session of the Economic and Employment Commission (E/1356, part VIII); and,

CONSIDERING the studies prepared by the Secretary-General in pursuance of Council resolutions 179 (VIII) and 222 D (IX)

A. WITH THE OBJECT OF KEEPING UNDER CONTINUING REVIEW PROBLEMS OF FINANCING ECONOMIC DEVELOPMENT

1. *Recommends* that the Economic Employment and Development Commission undertake to study and keep under review the nature and magnitude of the problems involved in financing the economic development of under-developed countries, and make recommendations thereon to the Council from time to time;

B. WITH THE OBJECT OF ENCOURAGING EFFECTIVE METHODS OF MOBILIZING DOMESTIC CAPITAL FOR THE ECONOMIC DEVELOPMENT IN UNDER-DEVELOPED COUNTRIES AND

2. HAVING REGARD to the necessity of mobilizing the domestic financial resources of under-developed countries to the fullest possible degree either independently or in conjunction with any foreign funds which may be available for economic development,

3. CONSIDERING the importance of promoting the self-generating character of economic development, which requires reinvestment as far as possible of increases of income following upon development,

4. CONSIDERING the desirability of utilizing and pooling the credit standing of established industrial enterprises and financial institutions for facilitating the import of foreign capital,

5. *Draws* to the attention of Member Governments the report prepared by the group of experts convened by the Secretary-General[1] pursuant to Council resolution 222 B (IX) in which various views and suggestions concerning methods of increasing and channelling domestic savings are discussed; and

6. *Commends* to the attention of the Governments concerned the desirability of considering the formation in their countries of banking syndicates or development banks with the participation of domestic banks and industrial enterprises as a means of attracting and channelling foreign investments into essential projects.

C. WITH THE OBJECT OF ENCOURAGING EFFECTIVE METHODS OF INCREASING THE FLOW OF INTERNATIONAL CAPITAL FOR THE ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES AND

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7. RECOGNIZING that:

(a) A more rapid increase of production in under-developed countries is essential for raising the level of productive employment and the living standards of their populations and for the growth of the world economy as a whole;

(b) The domestic financial resources of under-developed countries together with the international flow of capital for investment have not been sufficient to assure the desired rate of economic development; and

(c) Such accelerated economic development of under-developed countries requires not only a more effective and sustained mobilization of domestic savings but also an expanded and more stable flow of foreign capital investment;

8. *Recommends* that:

(a) Governments establish through domestic measures and, if necessary, through bilateral or multilateral agreements, conditions to encourage participation of foreign private capital in desirable economic developments either in the form of direct investment or in the form of investment in bonds of Governments or of private and public corporations;

(b) Governments of the more developed countries seek to encourage by appropriate means the investment of private capital by their nationals in under-developed countries;

(c) More of the developed countries take early action, in the light of their balance of payments position, to grant permission to the International Bank for Reconstruction and Development to utilize increasing parts of the 18 per cent of their subscriptions which have been pledged to be payable in domestic currencies, for such loan transactions as the Bank may be undertaking and which involve a demand for such currencies, and consider granting permission to the Bank to place its bond issues in their financial markets; and

[1] U.N. doc. E/1562.

(d) Governments extend progressively, so far as their balance of payments position and prospects permit, the principle of untied lending to all governmentally controlled or guaranteed foreign lending;

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9. RECOGNIZING that:

(a) Economic development requires the execution not only of self-liquidating projects but also of projects in such fields as transport, power, communications, public health, educational institutions and housing, which, while not always fully self-liquidating, are justified by reason of their indirect effect on national productivity and national income;

(b) With respect to financing of economic development, there is no direct logical connection between the immediate expenditures in local and foreign currencies on the one hand and the desirable amount of domestic and foreign financing, respectively, on the other; and

10. TAKING NOTE of the constructive statements made by the representative of the International Bank for Reconstruction and Development at the eleventh session of the Council, and welcoming, as being of special importance in relation to the problem of economic development of under-developed countries, his assurance that, in considering applications for loans, it is the determined policy of the Bank to examine the size, composition and financial implications of a borrowing country's investment programme as a whole, as well as the details of selected projects;

11. *Recommends* that:

(a) The under-developed countries give greater attention to the formulation of integrated programmes of development and to the planning of loan projects for presentation to the International Bank for Reconstruction and Development so as to facilitate the Bank's operations and thereby accelerate the rate of economic development;

(b) Governmental and intergovernmental credit organizations which can assist in the economic development of under-developed countries consider means by which the funds which are at their disposal can be used more effectively to help carry out integrated investment programmes, designed to carry forward in a co-ordinated manner development projects in different branches of the country's economy, and in general to accelerate the rate of economic development of under-developed countries;

(c) Institutions providing international loans, in considering the amount of external finance required in connection with any project, give appropriate consideration not only to the direct foreign costs but also to the foreign costs which tend to arise indirectly from the additional claim which the projects make on local labour and other resources, and from the additional incomes thus created; and

(d) These institutions make any such loans at rates of interest and on terms of amortization designed to place the smallest feasible burden on the exchange availabilities of the under-developed countries, consistent with the maintenance of these institutions as self-supporting entities;

D. WITH THE OBJECT OF FACILITATING FURTHER STUDIES IN THE FIELD OF INTERNATIONAL INVESTMENT AND PRICES OF PRIMARY PRODUCTS AND

12. CONSIDERING the great importance for the promotion of private foreign investments of assurances of ability to transfer earnings and withdraw capital in the currency in which the original investment has been made; and

13. CONSIDERING, furthermore, that such assurances of ability to transfer raise a number of technical difficulties, some of them closely related to the rights and obligations of members of the International Monetary Fund;

14. *Expresses* the opinion that the practical conditions under which such assurances can be made effective have not so far been sufficiently examined at the technical level;

15. *Requests* Member Governments to provide the Secretary-General and the International Monetary Fund with such statistical and other data as may be necessary for the carrying out of the studies referred to below;

16. *Recommends* that the International Monetary Fund be requested to assemble and analyze, in consultation with the International Bank for Reconstruction and Development, and when appropriate with other interested international agencies, the statistical and other data bearing upon the capacity of under-developed countries to service investments of foreign capital, with special reference to:

(a) The proportion of the foreign exchange receipts of such countries currently absorbed by services on foreign investment as compared with past periods;

(b) The proportion of foreign exchange receipts of more developed countries which, in earlier stages of their development, has been absorbed by services on foreign investment in these countries;

(c) Statutory and administrative measures designed to provide for servicing foreign investment in times of exchange stringency; and

17. *Requests* the Secretary-General, in co-operation with the interested international agencies and within the resources available, to undertake a study of the relation of fluctuations in the prices of primary products to the ability of under-developed countries to obtain foreign exchange.

Correction

In the BULLETIN of August 28, 1950, page 334, the head reading "Latvian Expression on the Korean Situation Acknowledged" should read "Baltic States' Expression on the Korean Situation Acknowledged."

Administration of the Act for International Development

[*Released to the press by the White House September 8*]

STATEMENT BY THE PRESIDENT

I have today signed an Executive order delegating to the Secretary of State the responsibility for carrying out the Point 4 Program authorized by the Congress in the Act for International Development. Funds were provided in the Appropriation Act signed September 6, 1950.

The United States, in undertaking the Point 4 Program, is seeking to help other peoples help themselves by extending to them the benefits of our store of technical knowledge. This program will provide means needed to translate our words of friendship into deeds. All activities will be on a cooperative basis, and projects will be undertaken by the United States only at the request of other governments.

Communist propaganda holds that the free nations are incapable of providing a decent standard of living for the millions of people in the underdeveloped areas of the earth. The Point 4 Program will be one of our principal ways of demonstrating the complete falsity of that charge. By patient, diligent effort, levels of education can be raised and standards of health improved to enable the people of such areas to make better use of their resources. Their land can be made to yield better crops by the use of improved seeds and more modern methods of cultivation. Roads and other transportation and communication facilities can be developed to enable products to be moved to areas where they are needed most. Rivers can be harnessed to furnish water for farms and cities and electricity for factories and homes.

The first year's appropriation of 34.5 million dollars for the Point 4 Program is not a large sum in comparison with the need. Yet, this money, together with the contributions of other countries, will have a cumulative effect in promoting the well-being of underdeveloped areas. United States money in this initial phase will be used to a large extent to provide technical assistance by sending experts abroad and to bring qualified trainees to this country. The participating countries themselves will supply local personnel and additional funds to help complete the projects.

In the Executive order, I have provided for the active participation of all Departments and agencies of the Federal Government whose facilities and experience can contribute to the program. I am confident, too, that it will be possible to draw upon the great body of technical experts in State and municipal organizations, educational and research institutions, public service foundations, and agricultural, labor, business, and other private groups as their special skills are needed.

Part of the funds appropriated by the Congress for Point 4 are to be devoted to the United Nations Technical Assistance Program, which is supported by contributions from other United Nations members as well. The bilateral arrangements between the United States and other governments will be supplemented by multilateral arrangements under United Nations auspices. As this cooperative movement progresses and the United Nations program becomes more fully established, we anticipate that more and more of the work will be carried out under United Nations auspices and that there will then be a world-wide effort to further the economic and social progress of all peoples.

EXECUTIVE ORDER 10159 [1]

By virtue of the authority vested in me by the Act for International Development, approved June 5, 1950 (Title IV of Public Law 535, 81st Congress), hereinafter referred to as the act, and as President of the United States, it is hereby ordered as follows:

1. The Secretary of State is authorized and directed (a) to perform the functions and exercise the powers and authority vested in the President by the act, except those so vested by section 413 (a) thereof, and except those so vested by section 409 thereof except as provided below, and (b), in cooperation with the heads of other appropriate departments and agencies and wholly-owned corporations of the Government, to plan and execute the programs authorized by the act.

2. For the purpose of promoting the effective implementation of the act, the heads of all departments and agencies the participation of which is requested by the Secretary of State are hereby authorized and directed to

[1] 15 *Fed. Reg.* 6103.

provide for such participation to the maximum extent consistent with law.

3. There is established pursuant to section 409 of the act the International Development Advisory Board. The members of the Board shall serve for terms of two years. The Board shall meet at the request of the Secretary of State to advise and consult with him on general policy matters. The Secretary of State is authorized to create and appoint such additional committees in special fields of activity as he may find, after consultation with the heads of other appropriate departments and agencies, to be necessary and desirable, in accordance with the provisions of section 409 of the act.

4. The Secretary of State shall establish an Interdepartmental Advisory Council on Technical Cooperation, to be composed of the heads of participating departments and agencies or their representatives. The Council shall be advisory to the Secretary of State.

U.S.–Union of Burma Sign Agreement for Economic Cooperation

[*Released to the press September 13*]

David McKendree Key, United States Ambassador to the Republic of the Union of Burma, made the following statement upon the signing of the bilateral agreement for economic cooperation between the United States and Burma at Rangoon, September 13.

It affords me great pleasure to sign on behalf of my Government this economic cooperation agreement between the United States of America and the Republic of the Union of Burma. The purpose of this agreement, clearly set forth in the preamble, is to assist Burma to achieve those sound economic conditions and stable international economic relationships so necessary for the maintenance of individual liberty, free institutions, and independence. Under the agreement, the United States is prepared to furnish economic and technical assistance toward these ends.

But back of this purpose there is something more personal. It is friend speaking to friend in a tangible way. As recently as September 2, President Truman said:

> We want peace not only for its own sake, but because we want all peoples of the world, including ourselves, to be free to devote their full energies to making their lives richer and happier. We shall give what help we can to make this universal wish come true.

The detailed working out of the economic cooperation program will be decided by mutual agreement between the Government of Burma and the Government of the United States. The nature of the projects to be carried out will be determined on the basis of the proposals put forth by the Government of Burma. In playing her part, the United States can provide physical equipment and technical experience to be applied to recovery, rehabilitation, and economic development in a wide variety of fields, including agriculture, mining, transportation, communications, medical, and general health projects. The program can also include the provision of consumer goods of importance to general welfare.

The United States Government will look forward to receiving from the Government of Burma her detailed proposals and is fully confident that aided by our joint efforts, Burma will move steadily along the road to recovery and economic strength.

Mr. Minister, I should like to express my warmest appreciation for the sincere, frank and friendly manner in which representatives of the Government of Burma have participated with representatives of the United States in working out the provisions of the agreement. The spirit of these negotiations augurs well for the future cooperation of our Governments in carrying out this agreement.

U.S.–Panama Sign Road Convention for Security of Panama Canal

[*Released to the press September 15*]

The United States Ambassador to Panama, Monnett B. Davis, and the Foreign Minister of the Republic of Panama, Dr. Carlos N. Brin, on September 14, signed a convention on behalf of their Governments which provides for the maintenance and use of certain highways essential to the security and maintenance of the Panama Canal. Under the terms of the convention, the Government of the United States undertakes to maintain the strategic Boyd–Roosevelt, or Trans-Isthmian Highway and, in return, the Republic of Panama grants to the United States the free use of all public roads within Panama.

The signing was accompanied by an exchange of diplomatic notes establishing a *modus vivendi* for the interim period until the convention enters into force. The accompanying notes terminate point V of the general relations agreement signed with Panama on May 18, 1942, which committed the United States to the payment of one-third of the total annual maintenance cost of all Panamanian roads used periodically or frequently by the Armed Forces of the United States. Also, the immediate maintenance of the Boyd–Roosevelt Highway by the United States and permission for the United States to use immediately and without cost all public roads in Panama are made possible by the exchange of notes.

The convention will be submitted to the Senate of the United States for its advice and consent to ratification by the President and to the National Assembly of Panama. It may be terminated by either Government upon 1 year's notice after an initial 20-year period.

Tributes to General Smuts

Message From the President

[*Released to the press September 12*]

On September 11, President Truman sent the following message to the Prime Minister and Minister for External Affairs of the Union of South Africa, D. F. Malan.

With the death of General Smuts a truly great leader has passed from the world. He has a firm place in history as a philosopher, soldier, and statesman. We in the United States join with the Government and people of the Union of South Africa in mourning his loss. Please convey my personal sympathy to Mrs. Smuts and the other members of his family.

Message From Secretary Acheson

[*Released to the press September 13*]

The following telegram was sent by Secretary Acheson to Dr. Daniel François Malan, Prime Minister of the Union of South Africa, on September 12.

The death of General Smuts—a great soldier-statesman, a great citizen, and a great man—is a tragic loss to all. General Smuts has stood out through the long years of world unrest as a steady, courageous, and inspired leader. The troubled spirits of men had become accustomed to a moment's peace, a clearer vision, a new courage from his actions and his wisdom. These were the rare gifts he gave not only to his own countrymen but also to all those who hold firm to the hope of a free world. My deepest sympathy goes to Mrs. Smuts and to the people of the Union of South Africa.

President Signs Trade Proclamation; Agreement With Mexico Terminated

[*Released to the press September 8*]

The President, on September 6, 1950, signed a proclamation (No. 2901) giving effect to the termination as of December 31, 1950, of the trade agreement between the United States and Mexico concluded in 1942.[1] The termination was jointly agreed to by the two Governments through an exchange of notes on June 23, 1950. This exchange of notes was announced by the Department of State on that date.[2] At the same time, there was made public a list of the changes in United States import duties which will occur as a result of the termination of the agreement.

The proclamation provides for the tariff treatment which, after termination of the agreement with Mexico, will become effective with regard to certain petroleum products under the provisions of the 1939 trade agreement with Venezuela and under the General Agreement on Tariffs and Trade. In addition, for some articles on which the general United States tariff rates will be increased as a result of the termination, the proclamation specifies the increased preferential rates applicable to products of Cuba to which preferential tariff treatment applies.

The proclamation also puts into effect a technical revision of the United States concession on Irish potatoes, contained in schedule XX of the General Agreement on Tariffs and Trade. This revision was made under a waiver obtained by the United States at the fourth session of the contracting parties to the agreement in April 1950.

Under the original concession, a so-called normal tariff quota of 1 million bushels of potatoes per marketing year was permitted entry into the United States at a rate of 37½ cents per 100 pounds, reduced from the 1930 rate of 75 cents per 100 pounds. In addition, the reduced rate would have applied to imports of potatoes equal to the number of bushels by which the domestic production, as estimated by the Department of Agriculture on September 1, was less than 350 million bushels. The revised concession would permit reduced-duty imports, in addition to the 1-million-bushel quota, of as many bushels of potatoes as the estimated production falls short of 335 million bushels. The revised quota provision will apply only during the marketing year beginning September 15, 1950.

Unless domestic potato production for 1950 as estimated by the Department of Agriculture as of September 1 is below 335 million bushels, no potatoes except the so-called normal 1-million-bushel quota may be imported at the reduced rate during the coming marketing year. Domestic potato production for 1950 was estimated, as of August 1, at 407,342,000 bushels; the September 1 estimate has not yet been published.

[1] 15 *Fed. Reg.* 6063.
[2] BULLETIN of Aug. 7, 1950, p. 215.

Americans Visiting Abroad

Twenty-four American students will leave for Holland to study on fellowships under the Fulbright Act. The group will fly from New York on September 14 and 15. Prior to their departure, they will meet at New York for an orientation program arranged by the Department of State and Institute of International Education.

Treaty of Friendship, Commerce and Economic Development Between the United States and Uruguay[1]

The United States of America and the Oriental Republic of Uruguay, desirous of strengthening the bonds of peace and friendship traditionally existing between them and of encouraging closer cultural, economic, and commercial relations between their peoples, and being cognizant of the contributions which may be made toward these ends by arrangements which facilitate and encourage, on bases mutually advantageous, cultural interchange, industrial and economic development, financial and technical cooperation, the investment of capital, and commercial intercourse, have resolved to conclude a Treaty of Friendship, Commerce and Economic Development, based in general upon the principles of national and of most-favored-nation treatment unconditionally accorded, and for that purpose have appointed as their Plenipotentiaries,

The President of the United States of America:

Christian M. Ravndal, Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay; and

The President of the Oriental Republic of Uruguay:

His Excellency Dr. Don César Charlone, Minister of Foreign Affairs;

who, having communicated to each other their full powers, found to be in due form, have agreed upon the following Articles:

Article I

1. Nationals of either High Contracting Party shall be permitted to enter the territories of the other Party and to remain therein: (a) for the purpose of carrying on trade between the territories of the two Parties and for the Purpose of engaging in related commercial activities; and (b) for other purposes, subject to the immigration laws.

2. Nationals of either Party, within the territories of the other Party, shall be permitted: (a) to travel therein freely, and to reside at places of their choice; (b) to enjoy liberty of conscience; (c) to hold both private and public religious services; and (d) to gather and to transmit material for dissemination to the public abroad, and otherwise to communicate with other persons inside and outside such territories by mail, telegraph and other means open to general public use.

3. For the purpose of strengthening the friendly relations and understanding between the two countries by encouraging mutual contacts between their peoples, the best facilities practicable shall be made available for travel by tourists, for the distribution of information for tourists, and with respect to the entry, sojourn and departure of visitors.

4. The provisions of the present Article and of Article XVII shall be subject to the right of either Party to apply measures that are necessary to maintain public order and necessary to protect the public health, morals and safety.

Article II

1. The nationals of either High Contracting Party within the territories of the other Party shall receive the most constant protection and security, and shall be accorded, in like circumstances and conditions, treatment, protection and security no less favorable than are accorded to the nationals of such other Party for the protection of their persons, rights, and property. This rule shall be applicable also to institutions, juridical persons, and associations.

2. If, within the territories of either Party, a national of the other Party is accused of crime and taken into custody, he shall: (a) receive reasonable and humane treatment; (b) be formally and immediately informed of the accusations against him; (c) be brought to trial promptly, with due regard to the necessary preparation of his defense; and (d) enjoy all means reasonably necessary to his defense, including the services of competent counsel.

Article III

1. Nationals of either High Contracting Party shall be accorded national treatment in the application of laws and regulations within the territories of the other Party that establish a pecuniary compensation, or other benefit or service, on account of disease, injury or death arising out of and in the course of employment or due to the nature of employment.

2. In addition to the rights and privileges provided in paragraph 1 of the present Article, nationals of either Party shall, within the territories of the other Party, be accorded national treatment in the application of laws and regulations establishing systems of compulsory insurance, under which benefits are paid without an individual test of financial need: (a) against loss of wages or earnings due to old age, unemployment, sickness or disability, or (b) against loss of financial support due to the

[1] The Senate advice and consent to ratification was given on Aug. 9, 1950. Printed from S. Ex. D, 81st Cong., 2d sess.

death of father, husband or other person on whom such support had depended.

Article IV

Each High Contracting Party shall at all times accord equitable treatment to the capital of nationals and companies of the other Party. Neither Party shall take unreasonable or discriminatory measures that would impair the legally acquired rights or interests of such nationals and companies in the enterprises which they have established or in the capital, skills, arts or technology which they have supplied. Neither Party shall without appropriate reason deny opportunities and facilities for the investment of capital by nationals and companies of the other Party; nor shall either Party unreasonably impede nationals and companies of the other Party from obtaining on equitable terms the capital, skills, modern techniques and equipment it needs for its economic development.

Article V

1. Nationals and companies of either High Contracting Party shall be accorded, within the territories of the other Party, national treatment with respect to:

(a) engaging in commercial, manufacturing, processing, financial, construction, publishing, scientific, educational, religious, philanthropic and professional activities;

(b) obtaining and maintaining patents of invention, and rights in trade marks, trade names, trade labels and industrial property of all kinds; and

(c) having access to the courts of justice and to administrative tribunals and agencies, in all degrees of jurisdiction, both in pursuit and in defense of their rights.

2. Nationals and companies of either Party shall further be accorded, within the territories of the other Party, in cases in which national treatment can not be granted, most-favored-nation treatment with respect to:

(a) exploring for and exploiting mineral deposits;

(b) engaging in fields of economic and cultural activity in addition to those enumerated in subparagraph (a) of paragraph 1 of the present Article or in subparagraph (a) of the present paragraph;

(c) organizing, participating in and operating companies of such other Party.

3. Nationals of either Party admitted into the territories of the other Party for limited purposes shall not, however, enjoy rights to engage in gainful occupations in contravention of limitations expressly imposed, according to law, as a condition of their admittance.

4. Nationals and companies of either Party shall be permitted to engage, within the territories of the other Party, technical experts, executive personnel, attorneys, agents and other specialized employees of their choice, regardless of nationality. Technical experts so engaged shall be permitted, among other functions, to make examinations, audits and technical investigations exclusively for, and to render reports to, such nationals and companies in connection with the planning and operation of their enterprises and enterprises in which they have a financial interest within the territories of such other Party, regardless of the extent to which such experts may have qualified for the practice of a profession within such territories.

Article VI

1. Nationals and companies of either High Contracting Party shall be accorded within the territories of the other Party the right to organize companies for engaging in commercial, manufacturing, processing, construction, mining, financial, educational, philanthropic, religious and scientific activities, and to control and manage enterprises which have been lawfully established by them within such territories for the foregoing and other purposes.

2. Companies, controlled by nationals and companies of either Party and constituted under the applicable laws and regulations within the territories of the other Party for engaging in the activities listed in paragraph 1 of the present Article, shall be accorded national treatment therein with respect to such activities.

Article VII

1. Nationals and companies of the Oriental Republic of Uruguay shall be accorded, within the territories of the United States of America:

(a) national treatment with respect to leasing land, buildings and other real property appropriate to the conduct of commercial, manufacturing, processing, financial, construction, publishing, scientific, educational, religious, philanthropic and professional activities and for residential and mortuary purposes and with respect to occupying and using such property; and

(b) other rights in real property permitted by the applicable laws of the states, territories and possessions of the United States of America.

2. Nationals and companies of the United States of America shall be accorded, within the territories of the Oriental Republic of Uruguay, national treatment with respect to acquiring by purchase, or otherwise, and with respect to owning, occupying and using land, buildings and other real property. However, in the case of any such national domiciled in, or any such company constituted under the laws of, any state, territory or possession of the United States of America that accords less than national treatment to nationals and companies of the Oriental Republic of Uruguay in this respect, the Oriental Republic of Uruguay shall not be obligated to accord treatment more favorable in this respect than such state, territory or possession accords to nationals and companies of the Oriental Republic of Uruguay.

3. Nationals and companies of either High Contracting Party shall be permitted freely to dispose of property within the territories of the other Party with respect to the acquisition of which through testate or intestate succession their alienage has prevented them from receiving national treatment, and they shall be permitted a term of at least five years in which to effect such disposition.

4. Nationals and companies of either Party shall be accorded within the territories of the other Party:

(a) most-favored-nation treatment with respect to acquiring, by purchase or otherwise, and with respect to owning and possessing all kinds of personal property, both tangible and intangible; and

(b) national treatment with respect to disposing of property of all kinds.

Article VIII

1. The dwellings, offices, warehouses, factories and other premises of nationals and companies of either High Contracting Party located within the territories of the other Party shall receive, with respect to entry and other interventions, the full protection of the measures and procedures established by law and of the standards and principles expressed in Article II of the present Treaty. Official searches and examinations of such premises and their contents, when necessary, shall be made with careful regard for the convenience of the occupants and the conduct of business.

2. Property of nationals and companies of either Party shall receive the most constant protection and security within the territories of the other Party. The taking of property legally acquired by the nationals and companies of either Party within the territories of the other Party shall be subject to procedures and conditions no less favorable than those legally applicable in the case of the taking of the property of nationals of such other Party. Any expropriation shall be made in accordance with the applicable laws, which shall at least assure the payment of just compensation in a prompt, adequate and effective manner.

3. Nationals and companies of either Party shall in no case be accorded, within the territories of the other Party, less than national treatment with respect to the matters set forth in the present Article. Moreover, enterprises in which nationals and companies of either Party have a substantial interest shall be accorded, within the territories of the other Party, not less than national treatment in all matters relating to the taking of privately-owned enterprises into public ownership and the placing of such enterprises under public control.

Article IX

1. Nationals of either High Contracting Party residing within the territories of the other Party, and nationals and companies of either Party engaged in trade or business or in scientific, educational, religious or philanthropic activities within the territories of the other Party, shall not be subject to the payment of taxes, fees or charges imposed upon or applied to income, capital, transactions, activities or any other object, or to requirements with respect to the levy and collection thereof, within the territories of such other Party, more burdensome than those borne by nationals and companies of such other Party.

2. With respect to nationals of either Party who are not resident or who are not engaged in trade or business within the territories of the other Party, and with respect to companies of either Party which are not engaged in trade or business within the territories of the other Party, most-favored-nation treatment shall apply.

3. In the case of companies of either Party engaged in business within the territories of the other Party, and in the case of nationals of either Party engaged in business within the territories of the other Party but not resident therein, such other Party shall not impose or apply any internal tax, fee or charge upon any income, capital or other similar basis in excess of that which corresponds to the business carried on or the capital invested in its territories, or grant deductions and exemptions less than those reasonably allocable or apportionable, on a similar basis, to its territories. A like rule shall apply also in the case of companies organized and operated exclusively for scientific, educational, religious or philanthropic purposes.

4. Each Party, however, reserves the right to: (a) extend specific advantages as to taxes, fees and charges to nationals, residents and companies of all foreign countries on the basis of reciprocity; (b) accord to nationals, residents and companies of a third country special advantages by virtue of an agreement with such country for the avoidance of double taxation or the mutual protection of revenue; and (c) accord to its non-resident nationals and to residents of contiguous countries more favorable exemptions of a personal nature than are accorded to other non-resident persons.

Article X

Commercial travelers representing nationals and companies of either High Contracting Party engaged in business within the territories thereof shall, upon their entry into and departure from the territories of the other Party and during their sojourn therein, be accorded most-favored-nation treatment in respect of customs and other rights and priviliges, including, subject to the exceptions in paragraph 4 of Article IX, taxes and charges applicable to them, their samples and the taking of orders.

1. Each High Contracting Party shall accord most-favored-nation treatment to products of the other Party, from whatever place and by whatever type of carrier arriving, and to articles destined for exportation to the territories of such other Party, by whatever route and by whatever type of carrier, in all matters relating to customs duties and other charges, internal taxation, sale, storage, distribution and use, and with respect to all other regulations, requirements and formalities imposed on or in connection with imports and exports.

2. Neither Party shall impose any prohibition or restriction on the importation of any product of the other Party, or on the exportation of any article to the territories of the other Party, that:

(a) if imposed on sanitary or other customary grounds of a non-commercial nature or in the interest of preventing deceptive or unfair practices, arbitrarily discriminates in favor of the importation of the like product of, or the exportation of the like article to, any third country;

(b) if imposed on other grounds, does not apply equally to the importation of the like product of, or the exportation of the like article to, any third country; or

(c) if a quantitative regulation involving allotment to any third country with respect to an article in which such other Party has an important interest, fails to afford to the commerce of such other Party a share proportionate to the amount by quantity or value supplied by or to such other Party during a previous representative period, due consideration being given to any special factors affecting the trade in the article.

3. As used in the present Treaty the term "products of" means "articles the growth, produce or manufacture of". The provisions of the present Article shall not apply to advantages accorded by either Party:

(a) to products of its national fisheries;

(b) to adjacent countries in order to facilitate frontier traffic; or

(c) by virtue of a customs union of which either Party, after consultation with the other Party, may become a member.

Article XII

1. Each High Contracting Party shall promptly publish laws, regulations and administrative rulings of general application pertaining to rates of duty, taxes or other charges, to the classification of articles for customs purposes, and to requirements or restrictions on imports and exports or the transfer of payments therefor, or affecting their sale, distribution or use; and shall administer such laws, regulations and rulings in a uniform, impartial and reasonable manner. As a general practice, new administrative requirements affecting imports, with the exception of requirements imposed on grounds of sanitation or public safety, shall not go into effect before the expiration of 30 days after publication, or, alternatively, shall not apply to articles en route at time of publication.

2. Each Party shall provide some administrative or judicial procedure under which nationals and companies of the other Party, and importers of products of such other Party, shall be able to obtain prompt review and correction, if necessary, of administrative action relating to customs matters, including the imposition of fines and penalties, confiscations, and rulings on questions of customs classification and valuation by the customs authorities.

3. The Parties shall afford to importers reasonable opportunity to obtain advice from the competent authorities regarding classification, valuation and duties on merchandise.

Article XIII

1. Products of either High Contracting Party shall be accorded, within the territories of the other Party, national treatment in all matters affecting internal taxation, sale, storage, distribution and use.

2. Articles produced by nationals and companies of either Party, within the territories of the other Party, or by companies of the latter Party controlled by such nationals and companies, shall be accorded therein treatment no less favorable than that accorded to like articles of national origin by whatever person or company produced, in all matters affecting exportation, taxation, sale, distribution, storage and use.

Article XIV

1. Each High Contracting Party undertakes (a) that enterprises owned or controlled by its Government, and that monopolies or agencies granted exclusive or special privileges within its territories, shall make their purchases and sales involving either imports or exports affecting the commerce of the other Party solely in accordance with commercial considerations, including price, quality, availability, marketability, transportation and other conditions of purchase or sale; and (b) that the nationals, companies and commerce of such other Party shall be afforded adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases and sales.

2. Each Party shall accord to the nationals, companies and commerce of the other Party fair and equitable treatment, as compared with that accorded to the nationals, companies and commerce of any third country, with respect to: (a) the governmental purchase of supplies, (b) the awarding of concessions and other government contracts, and (c) the sale of any service sold by the Government or any monopoly or agency granted exclusive or special privileges.

3. The two Parties agree that business practices which restrain competition, limit access to markets or foster monopolistic control, and which are engaged in or made effective by one or more private or public commercial enterprises or by combination, agreement or other arrangement among such enterprises may have harmful effects upon commerce between their respective territories. Accordingly, each Party agrees upon the request of the other Party to consult with respect to any such practices and to take such measures as it deems appropriate with a view to eliminating such harmful effects.

Article XV

1. Financial transactions between the territories of the two High Contracting Parties shall be accorded by each Party treatment no less favorable than that accorded to like transactions between the territories of that Party and the territories of any third country. Without prejudice to the provisions of paragraph 4 of the present Article, each Party, however, reserves the rights and obligations it may have under the Articles of Agreement of the International Monetary Fund.

2. Nationals and companies of either Party shall be accorded by the other Party national treatment with respect to financial transactions between the territories of the two Parties or between the territories of such other Party and of any third country.

3. In general, any control imposed by either Party over financial transactions shall, subject to the reservations set forth in paragraph 1 of the present Article, be so administered as not to influence disadvantageously the competitive position of the commerce or investment of capital of the other Party in comparison with the commerce or the investment of capital of any third country.

4. Nationals and companies of either Party shall be permitted freely to introduce capital funds into the territory of the other Party and, by means of obtaining exchange in the currency of their own country, to withdraw therefrom capital funds and earnings, whether in the form of salaries, interest, dividends, commissions, royalties or otherwise, and funds for the amortization of loans, for transfers of compensation for property referred to in paragraph 2 of Article VIII, and funds for capital transfers. If more than one rate of exchange is in force, such withdrawals shall be at an effective rate of exchange, inclusive of any taxes or surcharges on exchange transfers, that is just and reasonable. However, a Party shall retain the right in periods of exchange stringency to apply exchange restrictions to assure the availability of foreign exchange for payments for goods and services essential to the health

and welfare of its people. In the event that either Party applies such restrictions it shall within a period of three months make reasonable and specific provision for the withdrawals referred to, giving consideration to special needs for other transactions, and shall afford the other Party adequate opportunity for consultation at any time regarding such provision and other matter affecting withdrawals. Such provision shall be reviewed in consultation with the other Party at intervals of not more than twelve months.

5. The treatment prescribed in the present Article shall apply to all forms of control of financial transactions, including (a) limitations upon the availability of media necessary to effect such transactions, (b) rates of exchange, and (c) prohibitions, restrictions, delays, taxes, charges and penalties on such transactions; and shall apply whether a transaction takes place directly, or through an intermediary in another country. As used in the present Article, the term "financial transactions" means all international payments and transfers of funds effected through the medium of currencies, securities, bank deposits, dealings in foreign exchange or other financial arrangements, regardless of the purpose of nature of such payments and transfers.

Article XVI

1. Between the territories of the two High Contracting Parties there shall be freedom of commerce and navigation.

2. Vessels under the flag of either Party, and carrying the papers required by its law in proof of nationality, shall be deemed to be vessels of that Party both on the high seas and within the ports, places and waters of the other Party.

3. Vessels of either Party shall have liberty, on equal terms with vessels of the other Party and on equal terms with vessels of any third country, to come with their cargoes to all ports, places and waters of such other Party open to foreign commerce and navigation. Such vessels and cargoes shall in all respects be accorded national and most-favored-nation treatment within the ports, places and waters of such other Party; but each Party may reserve exclusive rights and privileges to its own vessels with respect to the coasting trade, inland navigation and national fisheries.

4. Vessels of either Party shall be accorded national and most-favored-nation treatment by the other Party with respect to the right to carry all articles that may be carried by vessel to or from the territories of such other Party; and such articles shall be accorded treatment no less favorable than that accorded like articles carried in vessels of such other Party, with respect to: (a) duties and charges of all kinds, (b) the administration of the customs, and (c) bounties, drawbacks and other privileges of this nature.

5. Vessels of either Party that are in distress shall be permitted to take refuge in the nearest port or haven of the other Party, and shall receive friendly treatment and assistance.

6. The term "vessels," as used herein, means all types of vessels, whether privately owned or operated, or publicly owned or operated; but this term does not, except with reference to paragraph 5 of the present Article, include fishing vessels or vessels of war.

Article XVII

There shall be freedom of transit through the territories of each High Contracting Party by the routes most convenient for international transit:

(a) for nationals of the other Party, together with their baggage;

(b) for other persons, together with their baggage, en route to or from the territories of such other Party; and

(c) for articles en route to or from the territories of such other Party.

Such persons and articles in transit shall be exempt from transit, customs and other duties, and from unreasonable charges and requirements; and shall be free from unnecessary delays and restrictions. They shall, however, be subject to measures referred to in paragraph 4 of Article I, and to non-discriminatory regulations necessary to prevent abuse of the transit privilege.

Article XVIII

1. The present Treaty shall not preclude the application of measures:

(a) regulating the importation or exportation of gold or silver;

(b) relating to fissionable materials, to radio-active by-products of the utilization or processing thereof or to materials that are the source of fissionable materials;

(c) regulating the production of or traffic in arms, ammunition and implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment;

(d) necessary to fulfill the obligations of a High Contracting Party for the maintenance or restoration of international peace and security, or necessary to protect its essential security interests;

(e) denying to any company in the ownership or direction of which nationals of any third country or countries have directly or indirectly a controlling interest, the advantages of the present Treaty, except with respect to recognition of juridical status and with respect to access to courts.

2. Without prejudice to the obligations of either Party under any other existing or future international agreemen, the most-favored-nation provisions of the present Treaty shall not apply: (a) to advantages accorded by the United States of America or its territories and possessions, irrespective of any future change in their political status, to one another, to the Republic of Cuba, to the Republic of the Philippines, to the Trust Territory of the Pacific Islands or to the Panama Canal Zone; and (b) to the advantages accorded by the Oriental Republic of Uruguay exclusively to the Republic of Bolivia or to the Republic of Paraguay, provided such advantages are not extended to a third country.

3. The provisions of the present Treaty relating to the treatment of goods shall not preclude action by either Party which is required or specifically permitted by the General Agreement on Tariffs and Trade or the Havana Charter for an International Trade Organization during such time as such Party is a contracting party to the General Agreement or is a member of the International Trade Organization. Similarly, the most-favored-nation

provisions of the present Treaty shall not apply to special advantages accorded by virtue of the aforesaid Agreement or Charter.

4. The present Treaty does not accord any rights to engage in political activities.

5. No enterprise of either Party which is publicly owned or controlled shall, if it engages in commercial, manufacturing, processing, shipping or other business activities within the territories of the other Party, claim or enjoy, either for itself or for its property, immunity therein from taxation, suit, execution of judgment or other liability to which privately owned and controlled enterprises are subject therein.

Article XIX

1. The term "national treatment" means treatment accorded within the territories of a High Contracting Party upon terms no less favorable than the treatment accorded therein, in like situations, to nationals, companies, products, vessels or other objects, as the case may be, of such Party.

2. The term "most-favored-nation treatment" means treatment accorded within the territories of a Party upon terms no less favorable than the treatment accorded therein, in like situations, to nationals, companies, products, vessels or other objects, as the case may be, of any third country.

3. As used in the present Treaty, the term "companies" means corporations, partnerships, companies and other associations, whether or not with limited liability and whether or not for pecuniary profit. Companies constituted under the applicable laws and regulations within the territories of either Party shall be deemed companies thereof and shall have the rights which pertain to them as juridical persons recognized within the territories of the other Party. It is understood that the recognition of such rights does not of itself confer rights upon companies to engage regularly in the business activities for which they are organized.

4. National treatment accorded under the provisions of the present Treaty to companies of the Oriental Republic of Uruguay shall, in any state, territory or possession of the United States of America, be the treatment accorded therein to companies created or organized in other states, territories and possessions of the United States of America.

Article XX

Except as may be otherwise provided, the territories to which the present Treaty extends shall comprise all areas of land and water under the sovereignty or authority of either of the High Contracting Parties, other than the Panama Canal Zone, and other than the Trust Territory of the Pacific Islands except to the extent that the President of the United States of America shall by proclamation extend provisions of the Treaty to such Trust Territory.

Article XXI

1. Either of the High Contracting Parties shall at any time grant to the other Party adequate opportunity for consultation with respect to the matters dealt with in the present treaty.

2. Any dispute between the Parties as to the interpretation or application of the present Treaty, not satisfactorily adjusted by diplomacy or other pacific means, shall be submitted to the International Court of Justice.

Article XXII

1. The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Washington as soon as possible.

2. The present Treaty shall enter into force on the day of exchange of ratifications. It shall remain in force for ten years from that day and shall continue in force thereafter until terminated as provided herein.

3. Either High Contracting Party may, by giving one year's written notice to the other Party, terminate the present Treaty at the end of the initial ten-year period or at any time thereafter.

In witness whereof the respective Plenipotentiaries have signed the present Treaty and have affixed hereunto their seals.

Done in duplicate, in the English and Spanish languages, both equally authentic, at Montevideo, this twenty-third day of November, one thousand nine hundred forty-nine.

CHRISTIAN M. RAVNDAL
CÉSAR CHARLONE

Protocol

At the time of signing the Treaty of Friendship, Commerce and Economic Development between the United States of America and the Oriental Republic of Uruguay, the undersigned Plenipotentiaries, duly authorized by their respective Governments, have further agreed on the following provisions, which shall be considered integral parts of the aforesaid Treaty:

1. Rights and privileges with respect to commercial, manufacturing and processing activities accorded, by the provisions of the Treaty, to privately owned and controlled enterprises of either High Contracting Party within the territories of the other Party shall extend to rights and privileges of an economic nature granted to publicly owned or controlled enterprises of such other Party, in situations in which such publicly owned or controlled enterprises operate in fact in competition with privately owned and controlled enterprises. The preceding sentence shall not, however, apply to subsidies granted to publicly owned or controlled enterprises in connection with: (a) manufacturing or processing goods for government use, or supplying goods and services to the government for government use; or (b) supplying, at prices substantially below competitive prices, the needs of particular population groups for essential goods and services not otherwise practically obtainable by such groups.

2. With reference to paragraph 1 of Article I of the Treaty, so long as the United States of America permits the entry into its territories of nationals of the Oriental Republic of Uruguay upon terms substantially as favorable as those applicable upon the date of signature of the Treaty, the Oriental Republic of Uruguay undertakes to permit nationals of the United States of America freely to enter its territories, subject to measures necessary to maintain public order and to protect the public health, morals and safety.

3. The term "mineral", as used in Article V, paragraph

2 (a), refers to petroleum as well as to other mineral substances.

4. The term "financial" as used in Articles V and VI shall not extend to banking that involves a trust or fiduciary function, or that involves receiving deposits except as may be incidental to international or foreign business of the banking enterprise.

5. Without prejudice to the obligations of either Party under any other international agreement, the provisions of the present Treaty shall not be construed to restrict the utilization by a Party of accumulated inconvertible currencies.

6. The provisions of Article XIV, paragraph 2 (b) and (c), and of Article XVI, paragraph 4, shall not apply to postal services.

7. The Uruguayan tax system applicable to absentee landholders (established by Law No. 5377 of January 14, 1916) shall not be affected by the provisions of the Treaty.

8. Nothing in the Treaty shall be construed to limit or restrict in any way the advantages accorded by the Convention Facilitating the Work of Traveling Salesmen signed at Washington August 27, 1918.

9. Article XX does not apply to territories under the authority of either Party solely by reason of temporary military occupation.

10. It is understood that for the purposes of paragraph 1 of Article XIV, the availability of means of payment is considered to be a commercial consideration.

In witness whereof the respective Plenipotentiaries have signed this Protocol and have affixed hereunto their seals.

Done in duplicate, in the English and Spanish languages, both equally authentic, at Montevideo, this twenty-third day of November, one thousand nine hundred forty-nine.

CHRISTIAN M. RAVNDAL [SEAL]
CÉSAR CHARLONE [SEAL]

Additional Protocol

At the time of signing the Treaty of Friendship, Commerce and Economic Development between the United States of America and the Oriental Republic of Uruguay, the undersigned Plenipotentiaries, duly authorized by their respective Governments have further agreed upon the following provisions, which shall be considered integral parts of the aforesaid Treaty:

1. The provisions of paragraphs 2(b) and 2(c) of Article XI of the Treaty shall not obligate either High Contracting Party with respect to the application of quantitative restrictions on imports and exports:

(a) that have effect equivalent to exchange restrictions authorized in conformity with section 3(b) of Article VII of the Articles of Agreement of the International Monetary Fund;

(b) that are necessary to secure the equitable distribution among the several consuming countries of goods in short supply; or

(c) that have effect equivalent to exchange restrictions permitted under section 2 of Article XIV of the Articles of Agreement of the International Monetary Fund.

2. Restrictions applied by either Party pursuant to subparagraph (c), paragraph 1, of the present Protocol shall, conformable with a policy designed to promote the maximum development of non-discriminatory multilateral trade and to expedite the attainment of a balance of payments position which will obviate the necessity of such restrictions, depart no more than necessary from the provisions of paragraph 2 (b) and 2 (c) of Article XI of the Treaty.

In witness whereof the respective Plenipotentiaries have signed this Protocol and have affixed hereunto their seals.

Done in duplicate, in the English and Spanish languages, both equally authentic, at Montevideo, this twenty-third of November one thousand nine hundred and forty-nine.

CHRISTIAN M. RAVNDAL
CÉSAR CHARLONE

Exchange of Notes

MONTEVIDEO, *November 23, 1949.*

The Honorable CHRISTIAN M. RAVNDAL,
Ambassador Extraordinary and Plenipotentiary of the United States of America.

MR. AMBASSADOR:

I have the honor to refer to the conversations between representatives of the Government of the Oriental Republic of Uruguay and the Government of the United States of America during the course of the negotiation of the Treaty of Friendship, Commerce and Economic Development, signed this day, in regard to its provisions relating to the treatment to be accorded by either High Contracting Party to the products of the other with respect to internal taxation.

In the course of these conversations, the Uruguayan representatives referred to the fact that Uruguay now accords national treatment with respect to internal taxation to all products of the United States of America except pharmaceutical specialties, toilet and perfumery products, cigarettes, cigars, fortified wines, vermouth, champagne, matches and playing cards, and to the fact that these specific articles were excepted from the rule of national treatment in the Trade Agreement between the two countries signed at Montevideo, July 21, 1942. The Uruguayan representatives also referred to the willingness of their Government to negotiate the reduction of these internal taxes.

The representatives of the United States of America have referred to Article III (as amended) of the General Agreement on Tariffs and Trade which establishes the rule of national treatment with respect to internal taxes on imported products, and particularly to paragraph 3 of the said Article which provides for the postponement of the application of the rule of national treatment in certain cases.

The conversations to which I have referred have disclosed a mutual understanding which is as follows:

With respect to any existing internal tax which is inconsistent with the provisions of paragraph 1 of Article XIII of the aforementioned Treaty but which is expressly authorized by the Trade Agreement between Uruguay and the United States of America signed at Montevideo July 21, 1942, in which the import duty on the taxed product is bound against increase, the Government of Uruguay shall be free to postpone the application of the provisions of paragraph 1 of Article XIII of said Treaty to such tax

until such time as it can obtain release from the obligations of the Trade Agreement in order to permit the increase of such duty to the extent necessary to compensate for the elimination of the protective element of the tax.

Accept, [etc.]

CÉSAR CHARLONE

MONTEVIDEO, *November 23, 1949.*

To His Excellency Doctor CÉSAR CHARLONE,
Minister of Foreign Affairs.

EXCELLENCY: I have the honor to acknowledge the receipt of Your Excellency's kind note of today's date, with reference to the Treaty of Friendship, Commerce and Economic Development, which states as follows:

[Here follows the text of the above note.]

* * *

The Honorable CHRISTIAN M. RAVNDAL,
Ambassador Extraordinary and Plenipotentiary of the United States of America."

I have the honor to confirm Your Excellency's statement of the agreement reached with reference to this matter.

Accept, [etc.]

CHRISTIAN M. RAVNDAL.

Delegation to Inaugural Ceremonies for President of El Salvador

[Released to the press September 11]

The President has approved the following delegation to represent the United States at the inauguration of Major Oscar Osorio as President of the Republic of El Salvador on September 14:

George P. Shaw, U. S. Ambassador to El Salvador, Special Ambassador and Head of Delegation
Ralph H. Ackerman, U. S. Ambassador to the Dominican Republic, Special Ambassador
Representative Albert S. J. Carnahan of Missouri, Member
Representative Robert Hale of Maine, Member
Sheldon Z. Kaplan, Staff Consultant, Committee on Foreign Affairs, House of Representatives, Member

Representing the Department of Defense—Lt. Gen. William H. Morris, Jr., Commander in chief, Caribbean Command.

Other names of the delegation, all members of the United States Embassy in El Salvador, include:

William A. Wieland, First Secretary
Col. Samuel P. Walker, Jr., Military Attaché
Col. Charles H. Deerwester, Air Attaché
Capt. Alvord John Greenacre, Naval Attaché
Joseph A. Silberstein, Second Secretary
John B. Young, Third Secretary

The inauguration of President-elect Osorio is especially significant in that it marks a return to constitutional procedures following a 21-month period of provisional government under the direction of the Council of Revolutionary Government. On September 14, Major Osorio, chosen by the people of El Salvador in free elections, will assume office as President of the Republic. In coping successfully with its many and difficult political and constitutional problems, El Salvador has provided an example to all democratic nations who believe in and struggle to achieve representative government.

Discussion With Foreign Ministers Beneficial to Cause of Peace

Statement by Secretary Acheson

[Released to the press September 11]

In going to New York for talks with the Foreign Ministers of Great Britain and France, and the meeting of the North Atlantic Treaty Council, and the General Assembly, I am confident that our frank discussions will result in agreement on practical conclusions which will contribute to preserving peace. It is because I know from experience the value of discussions of this kind that I have this confidence that the outcome will be constructive. Because it will be a constructive contribution to peace, I am confirmed in the conviction—which the President and I have recently reiterated—that we are building a solid foundation to prevent war.

Since the first meetings will be with representatives of European and North Atlantic Countries, we shall be concentrating our major attention upon European problems. With the approval of the President, I will make several concrete proposals for discussion by the other Ministers which I believe will advance the cause to which the North Atlantic Treaty Organization is dedicated.

I want to emphasize, however, that the talks this week are to be followed by what will prove to be the General Assembly's most important session. There is no question of a small group of powers making "decisions" and communicating them to the representatives of other states. We are engaged in a continuing process of discussion and negotiation in which all the states of the world are concerned and in which we expect them all to participate.

This morning, I talked over several major problems with the members of the Senate Foreign Relations Committee and the House Foreign Affairs Committee. I go to the New York meetings with the assurance that the American people are united in the work we are carrying on to make the peace secure.

Forced Labor Conditions in Communist-Dominated Countries

by Walter Kotschnig
U.S. Deputy Representative in ECOSOC[1]

This item on forced labor appears on the agenda of our Council for the fourth time. Our discussions of the item at the eighth, ninth, and tenth sessions of the Council brought out two shocking facts. First, the existence in this so-called enlightened age of ours, in this, our twentieth century, of slave labor conditions as inhuman, as cruel as any we have witnessed in the history of man. It has become evident to all but the blind and the wishful that millions of human beings living today have been deprived of every vestige of their basic human rights. They have been torn away from their homes; their families have been separated, and they have been herded into concentration camps. Yes, concentration camps, that is the word for it. Concentration camps of the kind that we had hoped we had heard the last of, when Hitler and his criminal regime had been defeated at a terrific cost to all of us.

Perhaps most terrible of all, it has become evident that the one country which initiated these practices, which imposed them on all those other countries over which it has established its controls, is the U.S.S.R.: the country which poses as the liberator of the suppressed masses, the home of the downtrodden and the oppressed, a member of the United Nations, a member of this very Council.

And, then, there is the second shocking fact: that to date we have been unable to do much about it, that we have found ourselves stalemated, that the U.S.S.R. and her friends, while admitting the existence of forced labor on a large scale, have refused to cooperate in any impartial inquiry. They have refused to make available any information regarding the number of people in their concentration camps, any information about their living conditions, the prevailing mortality rate, the type of labor in which these individuals are engaged—in short, anything which would have helped this Council, which would have helped the United Nations to discharge its obligations under the Charter to promote the rights of individuals, to create the kind of world where the well-being of all would become a secure guaranty for peace.

We cannot continue simply to make speeches about this condition. To make these speeches is a hateful task at best. It makes us ashamed of admitting that we live in a world where man's inhumanity to man is as ghastly and as ruthless as it appears to be in the U.S.S.R. and the countries under the various satellite regimes. The United Nations has found the will and the means, through collective action, to deal with military aggression. We must also find the will and the means to deal with large-scale planned aggression against the individual. We cannot stand by silently while the Charter of the United Nations is violated by some of its own members. We must awaken the conscience of the world against this utter negation of primitive human rights, against this ruthless exploitation of man by man. Admittedly, we may not be able to do much for those who suffer and die in Communist concentration camps. But, at least, we can do our share in protecting those from their own folly who may still look toward the Soviet as an enlightened regime, which assures justice and equality to all. The existence of concentration camps with millions of inmates is a travesty of justice, and the equality of their inmates is the equality of a graveyard.

[1] Made before the 11th session of the Economic and Social Council at Geneva on Aug. 15 and released to the press by the Council on the same date.

Lest there be any mistake about the seriousness of the situation, I have the distasteful task of putting on record some further evidence which has come to light regarding conditions in some of the countries which were "liberated" by the Soviets and their supporters.

Forced Labor Codes

In Rumania, the seventh ordinary session of the Grand National Assembly, before its adjournment on May 30, 1950, approved unanimously (of course, unanimously) after one day of consideration, a lengthy and detailed new national labor code "inspired by the most advanced labor legislation in the world, that of the Soviet Union." Among other things, this "inspired" labor legislation provides that Rumanian citizens "in exceptional cases, such as calamities and important stated projects," may be called for "temporary compulsory labor." "Exceptional cases"—that sounds hollow to those who know of the almost daily arrests of large numbers of people who disappear into labor camps. "Important projects," incidentially, itself indicates that more than a few exceptional people are involved in these practices. And then the word "temporary"—it may be that once a man or woman is assigned to forced labor under inhuman conditions, their stay on earth is, indeed, very temporary. That is perhaps the best explanation of that particular word.

Take another country: Czechoslovakia.

In Czechoslovakia, Vaclav Nosek, Minister of Interior, asked the Parliament for nearly trebled appropriations in 1950 over 1949 for his Ministry, which controls the secret and uniformed police and the forced labor camps.

Here is the statement as it appeared in the New York *Times* of March 24, 1950, in a dispatch which has not been challenged as to accuracy:

> He (Nosek) said he would need 10,637,952,000 crowns or $212,759,040 this year compared with 3,879,983,000 crowns or $77,597,860 in 1949. Expenditures for internal security will exceed those for national defense by more than 1,000,000,000 crowns . . .
>
> The Interior Ministry's own income, he observed significantly, will increase by about one-third over last year's, thanks to increased revenues from the forced labor camps as well as from the *Official Gazette* and the sale of pamphlets.

This statement is most revealing. It shows that Czechoslovakia is spending this year four times as much on her secret police and her concentration camps than all the states members of the United Nations spend on the United Nations. These fantastic figures further indicate that forced labor has become an integral part of the economic system of Czechoslovakia as it has of the Soviet Union and the other satellite countries. The sale of pamphlets can hardly explain the increase of about one-third of the revenues of the Minister of Interior. That increase must be attributed essentially to the income from the forced labor of the politically dispossessed.

If further proof is needed of the fact that these camps are used for purposes of political coercion, it can be found in an announcement made only 3 days ago by the Czechoslovakian Government which admitted the setting up of labor camps where security offenders could be sent for periods up to 2 years. We know, of course, that these labor camps have existed ever since October 25, 1948. Here, we have a clear-cut admission that the purpose of these camps is political coercion.

Take these other unfortunate countries: Lithuania, Estonia, Latvia. The New York *Times* of April 25, 1950, states that, according to the best available figures, between 800,000 and 1 million Lithuanians, out of a total population of less than 3 million; more than 500,000 Latvians out of a total population of less than 2 million; and more than 200,000 Estonians out of a total population of 1.15 million have been deported. Most of those deported were shipped out within an hour of notification and were permitted to take along only what they could carry on their backs. Some of the more shocking details of such deportations were described in the documents which were submitted to the tenth session of the Economic and Social Council by the American Federation of Labor.

Conditions in East Germany

Take the Eastern zone of Germany. Conditions in the uranium mines in Germany, where labor is particularly dangerous to health, were described both in the report submitted by the American Federation of Labor to the Economic and Social Council and in Mr. Thorp's speech at the tenth session. A study prepared by the Social Democratic Party of Germany gives further details. Note that it is a Socialist workers' party, not a group of "capitalists" or of "exploiters," to use terms dear to the Soviets, which gives us these details. In this report, the conditions are set forth which prevail in these uranium mines. It is a sickening document to read. There is just one detail I would like to lift from this document. It contains a reproduction complete with names and dates of a work order issued by the Labor Office of Teltow-Mahlow in the Soviet zone of Germany which requires the wife of a fugitive from a forced labor uranium mining camp to report for work in her husband's stead. I would like to read that order:

> ARBEITSAMT TELTOW-MAHLOW
> BRANCH OFFICE ZOSSEN
> *Zossen, 21 March 1949*
> B/N
>
> MADAM FRIEDA HEYER
> *Rangsdorf, Kr. Teltow, Kleine Standallee 863*
>
> Concerning your assignment to work in Aue.
>
> The medical examination has revealed your capacity for the contemplated assignment from here to Aue for work. You are therefore requested to present yourself at the Arbeitsamt (Labor Office) in Aue with the installa-

tion assignment card (Einweisungsbescheid) and to begin working in Aue in place of your husband who has made his own employment there impossible by fleeing with your knowledge and your help.

NITSCHE

Now, note that the wife is ordered by this Labor Office to report for work in the mines on the strength of the medical report, and that nowhere in the order does it appear that she has had the benefit of judicial process to determine whether she is actually guilty of the charge made against her. That, of course, fits in perfectly with the provisions of the Soviet code which was mentioned by the distinguished representative of the United Kingdom.

This same report goes on to state that not only wives but also other members of the family are being sent to the uranium mines if the husband or brother escaped from their servitude. It points out, too, the intolerable working conditions suffered by women in forced labor camps, among which is the fact that they are considered free game by the Russian soldiers and German workers alike. The conditions described are very similar to those found in Russian forced labor camps. The women find it necessary to make "friends" with several men in order to eke out their pitiful ration allowances. Women are required to work until 6 weeks prior to the birth of their children, and the children are separated from their mothers after birth and cared for in groups to free the mothers for further work in the mines. Women, incidentally, are required to fulfill the same quotas as men and are employed as pick men and transporters of ore.

This shameful list of violations of human rights could be continued for a long time. I might talk about Hungary where parents or children are still looking for some 200,000 Hungarian citizens who disappeared in the U.S.S.R. I might also talk about the curious disappearance of hundreds and thousands of German and Japanese prisoners of war in the U.S.S.R. I shall desist, however, for I am sure it must be obvious by now to everyone that this situation calls for remedial and preventive action on our part.

Some action might be taken nationally, by those who share the abhorrence of free peoples everywhere to the kind of exploitation of human labor which has evidently become an integral part of the Soviet economy. The laws in my own country, and probably in many other countries, permit the exclusion of goods produced by forced or convict labor in other countries. Joint action along such lines may eventually become inevitable.

Resolution as Remedy

In the meanwhile, everything possible must be done to direct the searchlight of public inquiry upon these intolerable conditions wherever they may be found. And that is the purpose of the joint resolution which we were glad to cosponsor with the delegation of the United Kingdom. This resolution, if accepted, would provide for a joint inquiry, joint in the sense that both the ILO and the United Nations would assume responsibility for it. This is an important element of our resolution, because unless this inquiry is undertaken not only by the International Labor Organization but also in the name of the United Nations, some of the countries which are not members of the ILO might find a very easy excuse in escaping from this investigation.

Furthermore, this resolution provides for the setting up of a committee of 5 independent members. Please note the emphasis on independent members. We hope that it will be possible to find 5 men or women of the highest possible caliber who would serve on this committee and whose very name, background, experience, and record will assure us that their investigation will be an impartial investigation.

As to the terms of reference, I would like to underline point 1 of these terms of reference, which refer to the International Labor Convention No. 29. They refer also (and this is important) to what we want to get at most specifically, and that is the systems of forced or corrective labor which are employed as a means of punishment for holding or expressing political views out of tune with the views of the ruling clique or which are on such a scale as to constitute an important element in the economy of a given country.

I commend this draft resolution to you and to my distinguished colleagues on this Council. I commend it for your careful consideration. The action here proposed may not go as far as some of us might wish, but it does, in our opinion, constitute a definite step forward in our common struggle for a common humanity, for a society of free peoples, free of fear, and free of oppression.

Text of Resolution

U.N. doc. E/L. 104
Dated Aug. 15, 1950

Following is the text of the joint draft resolution submitted to the eleventh session of ECOSOC. *The resolution was not adopted, and consideration of the problem was deferred to the twelfth session of the Council.*

The Economic and Social Council,

RECALLING its previous resolutions on the subject of forced labour and measures for its abolition;

CONSIDERING the replies furnished by Member Governments to the communications addressed to them by the Secretary-General in accordance with Resolution 195 (VIII);

TAKING NOTE of the communication from the International Labour Organisation setting forth the discussions on the question of forced labour at the 11th Session of the Governing Body;

Decides to invite the International Labour Organisation to co-operate with the Council in the earliest possible establishment of an *ad hoc* Committee on Forced Labour of not more than five independent members to be appointed jointly by the Secretary-General and the Director-General of the International Labour Office with the following terms of reference:

(1) to survey the field of forced labour, taking into

account the provisions of International Labour Convention No. 29, and enquiring particularly into the existence, in any part of the world, of systems of forced or "corrective" labour which are employed as a means of political coercion or punishment for holding or expressing political views, or which are on such a scale as to constitute an important element in the economy of a given country;

(2) to assess the nature and extent of the problem at the present time; and

(3) to report the results of its studies and progress thereon to the Council and to the Governing Body of the International Labour Office.

Requests the Secretary-General and the Director-General to supply the professional and clerical assistance necessary to ensure the earliest initiation and effective discharge of the *ad hoc* Committee's work.

Informal Discussions To Be Held on Japanese Peace Treaty

Statement by the President

[*Released to the press by the White House September 14*]

It has long been the view of the United States Government that the people of Japan were entitled to a peace treaty which would bring them back into the family of nations. As is well known, the United States Government first made an effort in 1947 to call a conference of the nations holding membership in the Far Eastern Commission to discuss a peace treaty with Japan. However, procedural difficulties at that time and since have prevented any progress. The United States Government now believes that an effort should again be made in this direction, and I have, therefore, authorized the Department of State to initiate informal discussions as to future procedure, in the first instance with those governments represented on the Far Eastern Commission, the ones most actively concerned in the Pacific war. It is not expected that any formal action will be taken until an opportunity has been had to assess the results of these informal discussions.

This policy in regard to a Japanese peace treaty is in accord with the general effort of the United States to bring to an end all the war situations. We have long pressed the U.S.S.R. for an Austrian treaty, and we are exploring the possibility of ending the state of war with Germany.

U.S. Delegations to International Conferences

Civil Aviation Organization

The Department of State announced on September 13 that the United States delegation to the Special International Civil Aviation Organization meeting on climb requirements which will convene at Paris on September 14, 1950, is as follows:

Delegate and Chairman

George W. Haldeman, chief, Aircraft Division, Civil Aeronautics Administration, Department of Commerce

Advisers

Oscar Bakke, chief, Air Carrier Division, Civil Aeronautics Board

James A. Carran, chief, Aerodynamics Section, Civil Aeronautics Administration, Department of Commerce

Philip A. Colman, Aerodynamics Division engineer, Lockheed Aircraft Corporation

Hugh B. Freeman, aeronautical engineer, Airworthiness Division, Civil Aeronautics Board

J. Ford Johnston, aeronautical research scientist, Flight Research Division, National Advisory Committee for Aeronautics, Langley, Virginia

Franklin W. Kolk, manager, Aircraft Analysis Division, American Airlines

W. Edmund Koneczny, chief, Airworthiness Division, Civil Aeronautics Board

Raymond B. Maloy, chief, Engineering Flight Test Branch, Civil Aeronautics Administration, Department of Commerce

Ivar C. Peterson, director, Technical Service, Aircraft Industries Association

Harry Press, aeronautical research scientist, Dynamic Loads Division, National Advisory Committee for Aeronautics, Langley, Virginia

Weldon E. Rhoades, coordinator, Stratocruiser, Flight Operations, United Airlines

Morril B. Spaulding, Jr., assistant director of the Engineering Division, Air Transport Association

Gilbert V. Tribbett, ICAO adviser, Flight Operations Division, Civil Aeronautics Administration, Department of Commerce

Omer Welling, deputy chief, Aircraft Division, Civil Aeronautics Administration, Department of Commerce

Secretary to the Delegation

William H. Dodderidge, Division of International Conferences, Department of State

Technicians representing all 58 member nations of the International Civil Aviation Organization have been invited to participate in the forthcoming meeting which is being called by the Organization in connection with its continuing program to improve the safety of air transportation. The meeting will take into account the varying operating conditions that exist at airports throughout the world in an attempt to write more modern climb performance requirements for aircraft engaged in the public carriage of passengers on international air routes. Minimum climb performance standards are most necessary during take-off and are planned to allow a sufficient safety margin to enable an aircraft to clear all obstacles in its path in case of emergency.

Aircraft design was based for many years on rule-of-thumb methods, and rate-of-climb standards were established arbitrarily. During the past 10 years, aircraft design techniques have become more mathematical and more expert, with the result that more accurate determination of the necessary rate-of-climb in take-offs under different conditions is required for the guidance of aircraft designers.

The forthcoming Paris meeting will discuss two different methods of arriving at such a determination. The first, which relates rate-of-climb to stalling speed, requires an aircraft with a higher stalling speed to be able to climb more rapidly and, as a result, encourages designers to produce aircraft with lower stalling speeds, which can, therefore, land and take off at slower speeds. The second method, which is based on careful mathematical analysis, is intended to reflect past operating experience with this problem in all countries.

Herring Technology (FAO)

The Department of State announced on September 15 that Harold E. Crowther, chief, Technological Section, Fish and Wildlife Service, Department of the Interior, and Herbert C. Davis, president, Terminal Island Sea Foods, Ltd., Terminal Island, California, will represent the United States Government as delegate and adviser, respectively, at two meetings being convened by the Food and Agriculture Organization (FAO) at Bergen, Norway.

The first meeting, the FAO meeting on herring technology, will begin on September 24 and will be concerned with technological problems related to the processing, marketing, and distribution of herring. Participants will present papers summarizing the latest research and technical developments related to herring.

The FAO meeting of fisheries technologists will be convened on September 30, immediately following the meeting on herring technology. The purpose of the second meeting is to consider the desirability of arranging for continued cooperation among fisheries technologists on a regional basis.

Chestnut Tree Production

The Department of State announced on August 30 that on September 5, 1950, the French Government will convene at Paris an international conference dealing with chestnut tree production and utilization. Dr. George F. Gravatt, of the Bureau of Plant Industry, Soils and Agricultural Engineering, Department of Agriculture, and on loan to the Economic Cooperation Administration at Paris, has been designated to represent the United States Government at this meeting.

The chestnut tree, which in many areas of the world has been an important source of food, of wood, and of tanning extracts, has been seriously threatened in recent years by a number of diseases. In the eastern part of the United States, for example, the chestnut has been completely eliminated by chestnut blight.

The forthcoming conference, to which interested member countries of the Food and Agriculture Organization of the United Nations have been invited, will consider ways and means of pooling information and coordinating research in an effort to combat chestnut blight and other diseases, to locate and develop disease-resistant species of chestnut trees, and to make improvements in the culture and use of the chestnut tree. The conference will also consider the establishment of an international commission, within the framework of the Food and Agriculture Organization, to serve as an instrument for concerted action with respect to problems relating to chestnut trees.

ITU: Administrative Council

The Department of State announced on August 31 that Francis Colt de Wolf, United States representative on the Administrative Council of the International Telecommunication Union and chief of the Telecommunications Policy Staff of the Department of State, will represent the United States Government at the fifth session of the Administrative Council which will be held at Geneva beginning September 1. Assisting Mr. de Wolf as advisers, will be John M. Cates, Jr., acting officer in charge, United Nations Cultural and Human Rights Affairs, Department of State, and Helen G. Kelly, special assistant to the chief of the Telecommunications Policy Staff, Department of State.

The Administrative Council was provided for in the international telecommunication convention, signed at Atlantic City on October 2, 1947, and certain protocols annexed thereto. Eighteen countries are members of the Council which serves as the policy-making body of the International Telecommunication Union during intervals between plenipotentiary conferences of the Union. The Council held its first session in 1947 at Atlantic City and its fourth session at Geneva in 1949.

THE DEPARTMENT

Bureau of Inter-American Affairs

Effective September 1, 1950, the following change in organization is made for the Bureau of Inter-American Affairs:

The Office of East Coast Affairs (EC) and the Office of North and West Coast Affairs (NWC) are abolished.

The Office of South American Affairs (OSA) is established. The Office consists of the following organizational units: North and West Coast Affairs; Brazilian Affairs; and, River Plate Affairs.

Bureau of European Affairs

Effective September 5, 1950, the Bureau of European Affairs public affairs functions and staff were reorganized

to provide a public affairs adviser on the staff of the Assistant Secretary and regional public affairs specialists in each of the European bureau offices.

The public affairs adviser advises the Assistant Secretary on and coordinates the development of public affairs policy for Europe and provides over-all representation for the Bureau of European Affairs in relations with the Public Affairs area and the Special Assistant for Press Relations. The regional public affairs specialists develop with the country and functional officers basic country and program information policy and guidances.

Office of Budget and Finance

Effective August 23, 1950, the following changes are made in the administrative area:

The Office of Management and Budget (OMB) is abolished.

There is established an Office of Budget and Finance (OBF). The Division of Budget and the Division of Finance are transferred to the new Office of Budget and Finance.

There is established a Management Staff in the Office of the Deputy Under Secretary for Administration. The Division of Organization is abolished and its functions, personnel and records are transferred to the new Management Staff.

Milton Katz Confirmed as ECE Representative

On August 18 the Senate confirmed the nomination of Milton Katz, of Massachusetts, the United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary, to serve concurrently and without additional compensation as the United States representative on the Economic Commission for Europe (ECE) of the Economic and Social Council of the United Nations.

Information Expansion Discussed With Business Officials

[*Released to the press September 12*]

Representatives of United States business firms operating in Europe will hold an all-day meeting with officials of the State Department on September 14 to explore ways in which American industry can cooperate with the Government in creating wider knowledge of the United States in that area.

Edward W. Barrett, Assistant Secretary for Public Affairs, and Edwin M. Martin, Director of the Office of European Regional Affairs, will be among the Departmental officers participating in the discussion.

The meeting is one in a series being held with American businessmen and is similar in intent to previous ones on May 17 and September 7 with representatives of American companies doing business in Latin America.

These sessions are in keeping with the Department's policy to increase its consultative program with American groups to expand further the effectiveness of its overseas information and education activities.

Appointment of Officers

O. Edmund Clubb as Director, Office of Chinese Affairs, effective July 5.

Louis J. Halle, Jr. as Policy Planning Adviser to the Assistant Secretary for Inter-American Affairs, effective August 21.

The following designations, effective August 23, were made in the Office of Budget and Finance:

Edward B. Wilber as Director of the Office;
Henry H. Ford as Chief, Division of Budget;
Louis Thompson as Chief, Division of Finance;
Harlow J. Heneman as Director of the Management Staff; and
Charles E. Johnson as Deputy Director of the Management Staff.

The following designations, effective September 1, were made in the Office of South American Affairs:

Fletcher Warren as Director of the Office;
Howard H. Tewksbury as Deputy Director of the Office;
Rollin S. Atwood as Officer in Charge, North and West Coast Affairs;
Randolph A. Kidder as Officer in Charge, Brazilian Affairs; and
Clarence E. Birgfeld as Officer in Charge, River Plate Affairs.

Walter K. Scott as Deputy Assistant Secretary for Administration, effective September 12.

Burton Y. Berry has been appointed Deputy Assistant Secretary for Near Eastern, South Asian and African Affairs.

THE FOREIGN SERVICE

U.S. Holds Consular Meeting in North Africa

[*Released to the press September 6*]

A regional conference of certain United States diplomatic and consular officers in North Africa is scheduled to be held from October 2 through 7 at Tangier, International Zone of Tangier.

The meeting will concern itself with problems confronting the United States in its political, economic, cultural, and consular relations with the countries of North Africa. It will also consider administrative matters effecting the efficient operation of United States diplomatic and consular offices in that area.

George C. McGhee, Assistant Secretary for Near Eastern, South Asian and African Affairs (NEA), will head the delegation of Washington

representatives and will serve as chairman for the Tangier Conference. He will be assisted by Elmer H. Bourgerie, Acting Director of the Office of African Affairs and Sam K. C. Kopper, until recently Officer in Charge of Northern African Affairs and now Deputy Director (designate) for the Office of Near Eastern Affairs.

Others expected to attend the Tangier meeting include Richard P. Butrick, Director General of the Foreign Service; Charles F. Pick, Jr., Deputy Executive Director, NEA; Norman Burns, Officer in Charge, Economic Affairs, Near Eastern, Dr. Ruth Sloan, Chief, African Branch, Near Eastern, South Asian and African Affairs/Philippines; George Steuart, Office of Consular Affairs; Dr. Vernon McKay, Foreign Affairs Officer, Office of Dependent Areas Affairs, United Nations Affairs; Miss Ruth Torrence, Foreign Affairs Analyst, Division of Research for Near East and Africa; Samuel Gorlitz, Investment and Economic Development Staff of the Bureau of Economic Affairs; John Devine, Representative of General Manager's Office, International Information and Educational Exchange Program; Harry Price, Chief, Dependent Areas Branch, Economic Cooperation Administration; Clarence Blau, Assistant to the Director, Office of International Trade, Department of Commerce; Col. Stanley Andrews, Director, Office of Foreign Agricultural Relations, Department of Agriculture; Capt. G. S. Patrick, USN, Department of Defense; Leo R. Werts, Associate Director, Office of International Labor Affairs, Department of Labor; Olen Warnock, Chief, Technical Assistance Branch, Department of Labor; Harry S. Weidberg, British Commonwealth and Middle East Division, Office of International Finance, Department of the Treasury; John W. Edwards, Office of Reports and Estimates, Central Intelligence Agency.

Field representation will include officers from Tangier, Algiers, Casablanca, Dakar, Tripoli, Tunis, Asmara, Benghazi (Bengasi), and Rabat. Representatives from the American Embassies at Paris and Cairo will also attend.

Consular Offices

The American consulate at Penang, Federation of Malaya, under the supervisory jurisdiction of the consulate general at Singapore, was established on August 22, 1950.

The American consulate general at Salisbury, Southern Rhodesia, was officially opened to the public on May 8, 1950.

Resignation of Ambassador Childs

On August 28, the White House released to the press the text of President Truman's letter accepting the resignation of J. Rives Childs as Ambassador to the Kingdom of Saudi Arabia and Minister to the Kingdom of Yemen.

THE CONGRESS

The President Does Not Approve Amended Nationality Act

[*Released to the press by the White House September 9*]

To the House of Representatives:

I return herewith, without my approval, H. J. Res. 238, "To amend the Nationality Act of 1940, as amended."

When first introduced in the Congress, this Resolution provided that the right to become a naturalized citizen of the United States should not be denied or abridged because of race. This was one of the recommendations which I made to the Congress in the civil rights program submitted more than 2 years ago. This proposal has received wide bipartisan support. It represents a positive response by the United States to a proper demand of justice and human brotherhood. By this means, we can give concrete assurance to the peoples of Asia that no resident of the United States will fail to qualify for citizenship solely because of racial origin.

This provision remains as section 1 of the Resolution. Unfortunately, the Congress has added a second section, with a different purpose. This new section is supposed to strengthen our naturalization laws by inserting new and specific prohibitions against citizenship for aliens who owe allegiance to present forms of communism and other totalitarian philosophies.

The existing prohibitions in our naturalization laws were intended to exclude from citizenship those who overtly subscribe to the overthrow of our Government by force or violence. In section 2 of this Resolution, the Congress has attempted, by the use of much new language, to reach persons who may covertly seek to overthrow this Government through their association with Communist-front and similar organizations. However, the language of this second section is so vague and ill-defined that no one can tell what it may mean or how it may be applied. The result might be to weaken our naturalization laws rather than strengthen them. The result might also be to jeopardize the basic rights of our naturalized citizens and other persons legitimately admitted to the United States.

In my judgment, it would be impossible to administer this Act without creating a twilight species of second-class citizens, persons who could be deprived of citizenship on technical grounds, through their ignorance or lack of judgment. If an individual should, at any time within 5 years after naturalization, become affiliated with a proscribed organization, this resolution would spe-

cifically make his act prima facie evidence of lack of attachment to the principles of the Constitution of the United States. It would place upon him the requirement of presenting countervailing evidence to prevent the revocation of his citizenship.

This resolution does not even stop with creating second-class citizens. Where newly naturalized citizens or legally admitted aliens are concerned, it could be used to destroy the right of free speech and the freedom to follow intellectual pursuits without fear of retaliation from a vengeful Government.

These provisions will inevitably produce great uncertainty and confusion in administration. This becomes evident when it is recognized, as it must be, that the resolution fails to define its terms and establishes absolutely no ascertainable standards for their application. Not only is this in violation of our traditional concepts of what laws should do, it also makes it impossible to determine in advance what procedures will be used to prosecute alleged violation of the law. I cannot approve a measure which has these deficiencies.

Our Government will remain dedicated to protecting the freedom, basic rights, and inherent dignity of the individual. We shall not adopt prohibitory and punitive statutes without being absolutely sure that the proposed laws are not a greater threat than the things against which they would provide protection. This is particularly true in the present case since we already have strong laws protecting us against the naturalization of subversive persons. It has not been demonstrated that these laws are inadequate. We should not forget or become afraid to assert our belief that eternal vigilance is the price of liberty.

I urge that the Congress reconsider this Resolution at once, reenacting it in such form as to preserve section 1 and to remove those ill-advised provisions in section 2, which seek to strengthen the Nationality Act of 1940 but which actually weaken and confuse it. At a time when the United Nations Forces are fighting gallantly to uphold the principles of freedom and democracy in Korea, it would be unworthy of our tradition if we continue now to deny the right of citizenship to American residents of Asiatic origin.

Arbitrary Appropriations Cuts May Impair Government Services

Statement by the President

[*Released to the press by the White House September 6*]

I have signed H. R. 7786, the General Appropriation Act of 1951.

This bill provides, in a consolidated form, funds and other authorizations for the departments and agencies of the Federal Government for the fiscal year which began last July 1.

In signing this bill, I am compelled to call attention to a provision which, in my judgment, represents an unwise and dangerous departure from proper budgetary practices. This is the requirement that the Executive Branch reduce the appropriations enacted by the Congress by a fixed amount.

The foundation of our budget system is the preparation of an annual budget by the President and its presentation to the Congress for review, adjustment, and final determination.

For more than two hundred pages, this enrolled bill sets forth in great detail the individual amounts appropriated by the Congress for the many programs of the Government. Section 1214, of the bill, however, directs that these individual and specific decisions by the Congress on appropriations and authorizations for the Executive Branch of the Government be reduced by at least 550 million dollars, "without impairing national defense." In effect, the bill requires the Executive Branch to revise the judgment of the Congress on individual programs to meet an overall arbitrary reduction.

This unusual provision represents a failure by the Congress to exercise its proper responsibility for enacting appropriations to conduct the Government's business.

The needs of our defense effort make it necessary to place primary emphasis on those programs of the Government which will strengthen our armed forces, our power to produce for defense, and the combined power of the free world to establish peace. In effecting the reduction required in the bill, a careful review will be made of all agency programs with a view to curtailing those which contribute least to these paramount objectives. This review is now going forward. It will continue during the coming months. If reductions greater than the amount specified in the bill can be made, I shall make them. Neither the Congress nor the President, however, can state at this time whether savings even to the extent arbitrarily required by Congress can be made without impairing essential Government services.

I also feel obliged to comment upon the provision of the bill which authorizes loans for the purpose of assistance to Spain. I do not regard this provision as a directive, which would be unconstitutional, but instead as an authorization, in addition to the authority already in existence under which loans to Spain may be made.

Spain is not, and has not been, foreclosed from borrowing money from this Government. Money will be loaned to Spain whenever mutually advantageous arrangements can be made with respect to security, terms of repayment, purposes for which the money is to be spent, and other appropriate factors and whenever such loans will serve the interests of the United States in the conduct of foreign relations.

The United States in the United Nations

[September 14–21]

General Assembly

The delegates of 59 nations assembled at Flushing Meadow, New York, on September 19 for the fifth regular session of the General Assembly. Ambassador Nazrollah Entezam, delegate of Iran, was elected president. The unprecedented importance of this session, in the light of recent events in Korea, was emphasized by retiring President Carlos P. Romulo who stated, in his opening speech, that the General Assembly has the chance of saving "the United Nations and the peace of the world."

The question of Chinese representation was raised at the outset by the delegate of India, Sir Benegal Rau, who introduced a resolution advocating representation of China in the General Assembly by the Peiping regime. This resolution was rejected, with 16 voting in favor, 33 against, and 10 abstentions. Two resolutions proposed by the Soviet delegate, Andrei Y. Vyshinsky, to exclude the "Kuomintang group" and invite the Chinese Communists to participate in the Assembly were rejected by overwhelming majorities. The Assembly, however, adopted a Canadian resolution establishing a special seven-member committee to study the question of Chinese representation and to report back to the Assembly after there had been opportunity to consider the Cuban agenda item, dealing with the question of representation in general. The Assembly agreed that, pending the report of this special committee, the Chinese National delegation should be seated in the Assembly with the same rights as other delegations.

General debate opened on September 20 with major statements by Secretary Acheson and by Mr. Vyshinsky. Secretary Acheson offered a program to increase the effectiveness of the United Nations in dealing with aggression, which included proposals for: (1) calling of an emergency session of the General Assembly on 24-hour notice whenever the Security Council is unable to act because of the veto; (2) establishing a "peace patrol" to give immediate and independent observation and reporting from any threatened area; (3) planning for member nations to designate certain units within their national armed forces for prompt service on behalf of the United Nations; and (4) forming a committee to study and report on means that the United Nations could use, through collective action, to carry out the principles of the Charter.

Secretary Acheson also proposed the establishment of a United Nations "recovery force," through which member nations could contribute to relief and reconstruction in Korea at the end of hostilities, and he suggested that the General Assembly also look into the problem of the future of Formosa.

The Soviet delegate, in his statement, proposed a "declaration for the prevention of a new war and the strengthening of international peace and security." The suggested declaration, made up essentially of Soviet proposals offered at previous sessions, would: (1) condemn war propaganda; (2) prohibit the use of atomic weapons and recommend the establishment of strict international control over atomic energy; and (3) recommend that the five great powers conclude among themselves a pact for peace and reduce, in 1950, their armaments and armed forces by one-third.

On September 21, the General Committee of the Assembly approved the inclusion of 69 questions in the Assembly's agenda. Some of these are questions that have been discussed previously in the General Assembly, such as the admission of new members to the United Nations, the disposition of former Italian colonies, Palestine, relations of member states with Spain, threats to the political independence and territorial integrity of Greece, international control of atomic energy, treatment of Indians in the Union of South Africa, and violations of human rights in Bulgaria, Hungary, and Rumania. The Assembly will also have before it the report of the United Nations Commission on Korea, established by the Assembly in 1948 to assist in the unification of Korea and the further development of representative government there. In addition to Secretary Acheson's 4-point program for strengthening the United Nations and Mr. Vyshinsky's proposed declaration for the prevention of a new war, some new problems which the General Assembly will consider for the first time include the failure of the U.S.S.R. to repatriate German and Japanese prisoners of war,

an item presented jointly by the United States, the United Kingdom, and Australia; a 20-year program for achieving peace through the United Nations, proposed by Secretary-General Trygvie Lie; and the Cuban item, recognition by the United Nations of the representation of a member state.

The problem of Formosa will be discussed in connection with a new item proposed by the U.S.S.R. entitled: "Complaint by the U.S.S.R. of American aggression against China." No decision, however, has yet been taken by the General Committee on the item proposed by the United States regarding the future of Formosa.

Interim Committee

After having completed the final items on its agenda on September 15, the Interim Committee, on September 18, approved, without objection or discussion, its report to the General Assembly.

On September 15, the Committee made several decisions on three important items, with reference to what data should be included in its report to the Assembly. Concerning the first item, the future of Eritrea, the Committee agreed to include a statement by the chairman, praising the draft formula arrived at in interdelegation consultations as constituting at least a "set of principles" on which a solution could be based. The principles were not to be included in the report, the Committee decided, but might be brought forward in the General Assembly by any delegation.

In view of imminent General Assembly consideration and the political nature of the second item, threats to the independence and territorial integrity of China, the Committee agreed to make no recommendations.

With reference to the third item, boundaries of the former Italian colonies, a United States draft resolution, setting forth principles to be followed in determining those boundaries, met with little support. After discussion of several alternative procedures, a Lebanese proposal was adopted, whereby the United States draft resolution was to be submitted as an annex to the report.

Security Council

The unified command's fourth report on operations in Korea, covering the period of August 16 to 31, was presented to the Security Council for its "cognizance" on September 18. The report, read by United States Ambassador Warren R. Austin, covered United Nations ground, naval, and air operations and outlined specific military positions. Accusations of bombings of civilians by United Nations aircraft were groundless, the report said. During his reading of the section on foreign support for North Korean forces, Ambassador Austin presented "physical proof" of Soviet deliveries of up-to-date equipment to the invading troops, including a late-model Soviet-made 7.62 mm. submachine gun. In addition, the report declared that although there had been no confirmation of direct or overt Chinese Communist participation in the North Korean aggression, the Chinese Communist regime had furnished substantial military aid by releasing "a vast pool of combat-seasoned troops of Korean ethnic origin, which provided the means for expansion of the North Korean Army."

Insisting on his right to comment on the report, Soviet Ambassador Yakov A. Malik charged that the presentation of the report was purely a tactical move to divert the Security Council and public opinion from "United States aggression" both in Korea and Formosa. The evidence presented, Mr. Malik asserted, was "slanderous" and designed to fool "simpletons."

Ambassador Austin's reading of the unified command's report followed more than 2 hours of procedural debate over the adoption of the Council's agenda. Although Ambassador Malik attempted to prevent inclusion of the item "Complaint of aggression upon the Republic of Korea," under which the report was presented, that question was approved for immediate consideration by a vote of 10–1. Other substantive items included on the Council's agenda were: "Complaint of invasion of the Island of Taiwan (Formosa)," submitted originally by the U.S.S.R. on August 29; and a new question "Complaint of expulsion by Israel of thousands of Palestinian Arabs into Egyptian territory and the violation by Israel of the Egyptian-Israeli General Armistice Agreement," proposed by Egypt. In connection with the latter item, the president of the Council, Sir Gladwyn Jebb (United Kingdom) called attention to a communication from Israel. Because of the lengthy agenda debate, discussion of the Formosa and Egyptian questions was postponed until a later meeting.

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